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OVERSIGHT OF THE FEDERAL-AID HIGHWAY PROGRAM

HEARING

BEFORE THE

SUBCOMMITTEE ON WATER RESOURCES,
TRANSPORTATION, AND INFRASTRUCTURE

OF THE

COMMITTEE ON
ENVIRONMENT AND PUBLIC WORKS
UNITED STATES SENATE

ONE HUNDRED FIRST CONGRESS

SECOND SESSION

MARCH 19, 1990—FORT LAUDERDALE, FLORIDA

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OVERSIGHT OF THE FEDERAL-AID HIGHWAY PROGRAM

MONDAY, MARCH 19, 1990

U.S. SENATE,
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS,
SUBCOMMITTEE ON WATER RESOURCES, TRANSPORTATION,
AND INFRASTRUCTURE,
Fort Lauderdale, FL.

The subcommittee met, pursuant to notice, at 9:35 a.m., at the Government Center, 115 South Andrews Avenue, Room 422, Fort Lauderdale, Florida, Hon. Bob Graham [acting chairman of the subcommittee] presiding.

Present: Senator Graham.

Also present: Representative Shaw.

Senator GRAHAM. We call the meeting to order.

I wish to thank the Broward County Commission for their generosity in allowing us to use their beautiful facilities. We have had the opportunity to do so on previous occasions of various Senate hearings and this is an excellent and very accessible facility and I wish to thank the County Commission. We are honored to have with us today the Chairman of the Broward County Commission, Mr. Scott Cowan.

Mr. Cowan.

STATEMENT OF HON. SCOTT I. COWAN, CHAIRMAN, BROWARD COUNTY BOARD OF COUNTY COMMISSIONERS

Mr. COWAN. Thank you, Senator.

It's my pleasure to welcome Senator Graham and our two congressmen, Congressman Shaw and Congressman Smith to Broward.

You're meeting here today to receive testimony on a subject that is critical to our survival and that is the future of the Federal-Aid Highway Program and related surface transportation issues.

Building and operating a transportation system in a rapidly-growing major urban region of the United States like the tri-county area can never be done by one unit of government alone. For example, our MPO ranks all unfunded highway projects of regional importance to Broward in priority order, regardless of the Federal aid system or whether these projects are on the State, county, city, or private road system. The idea is that all highway funding partners for Broward County should march down that priority list and apply whatever resources are available at the time, regardless of whose system is being improved.

Experience teaches us that we must look at and develop our respective road systems as part of an integrated network. We believe we also hear the Federal Government saying this in the newly-released National Transportation Policy Statement. Frankly, what we don't hear yet is how the Federal dollars are going to be applied to the task. We are proud of the contribution which the Broward County Government has been able to make on the regional highway network. We're now working to complete the grid of major arterials which criss-cross the county and extend the cross-county lines.

In the last decade, we put something like $80 million through bond issues and other local funds into the State system improvements on the arterial grid and Broward has been the leader as well in assessing new development for highway impact fees to improve regional roads. We also levy a 6 cents local option gas tax which we share 62.5 percent/37.5 percent with the cities.

We use our share not only for road projects but also for transit operating costs since the Federal Government is retreating from sharing this responsibility. You may be interested in knowing that we've just failed to obtain voters' approval of a 1 cent local option sales tax for infrastructure which would have been providing an additional $400 million in regional road improvements over a 15-year period. One of the reported concerns of the voters was that the major highway improvements should be funded by additional highway user fees which the county commission is unable to do.

This is further compounded by the deadlock at the State level between the Governor and the legislature on additional highway funding.

Senator Graham, I know you're no stranger to how hard it is to raise gas taxes here in Florida. However, Federal gas tax is also one of the lowest in the world and if transportation is viewed as a national priority, it is certainly appropriate for the Federal Government to be a full financial participant. Without continuing strong Federal leadership backed by dollars, there is a very serious threat that transportation will deteriorate and our economy along with it.

For example, our country retreated from pursuing a national railway system and it's easy to see what has transpired. Meanwhile, European countries pursue rail and transit systems as high national priorities and are now experiencing the benefits of those efforts.

Based on your interest in hearing from us, I do believe we're working to accomplish the same objectives. I'm very proud of the accomplishments of Broward County in upgrading our roadway and transit system in recent years. Certainly, the Federal Government has made major contributions and certainly Congressman Shaw is to be applauded for his efforts in bringing substantial FAA dollars back to Broward County for its improved airport.

Most notably are the contributions the Federal Government has made in the Broward Interstate routes currently under construction. However, there is much more that needs to be done to complete the regional transportation network here. We have pushed ourselves to the limit in trying to assume some of the burden of backlogged improvements on the State highway system. Add to that the new State challenge of growth management and the burden gets even heavier.

The bottom line is that we are giving our best effort but we are not going to be able to carry this responsibility alone. As the MPO keeps trying to point out and you'll hear later from its chairman, County Commissioner Sylvia Poitier, a do-nothing scenario by our major funding partners at the Federal and State level has very negative impacts.

I am convinced that even beyond that, the cost of neglecting urban highway and transit needs in this State will soon become unmanageable if we continue to delay getting started on necessary improvements.

Today, you'll be hearing from Commissioner Poitier, as I mentioned, and she'll give some specifics which we'd like your assistance on.

In closing, I hope that you can help steer the Federal Administration into a productive and effective implementation of the new National Transportation Policy. In the meantime, Broward County, my fellow commissioners, our vice chairman Commissioner Parrish and fellow Commissioners Hart, Grossman, Poitier, Kennedy, and Thompson and myself will continue to press on for better urban transportation within our own set of limitations.

Thank you for the opportunity to make these opening statements, Senator, and please enjoy your stay here in Broward.

Senator **GRAHAM**. Thank you very much, Mr. Chairman. You have focused on what will be one of the key issues in this hearing today and over the next several months as we conduct hearings looking towards the reauthorization of the Highway Transportation Act and that is, what should be the appropriate balance of financial responsibility as among Federal Government, State, local communities, and the private sector. There's probably no community in America that is a greater microcosm of how all those issues interplay than is Broward County and your statement is a significant contribution to our understanding.

Mr. **COWAN**. Thank you, Senator.

Senator **GRAHAM**. Thank you very much, Mr. Chairman.

We are joined today by a distinguished member of the House of Representatives who has represented his community for a number of years. He serves on important committees including the Ways and Means Committee and has been an active advocate for improved transportation in his district and throughout the State and Nation. We are very honored to have with us today Congressman Clay Shaw. We will be joined at approximately 10:30 a.m. by Congressman Larry Smith.

Congressman Shaw.

STATEMENT OF HON. CLAY SHAW, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

Mr. **SHAW**. Thank you, Senator. I'd like to join my friend Scott in welcoming you to Broward County. I find the timing of this hearing both interesting and curious as the entire Broward County area right now is suffering from a giant hangover and I might say that's not from the Saint Patrick's Day festivities but from last Tuesday's election.

As we are hearing all across the country, people are just very concerned about increased taxes and do not want to vote themselves increased taxes but one thing is absolutely and abundantly clear. We have some very severe transportation needs here in Broward County and I thank you for coming here even though you didn't know the timing of your visit was going to be so significant but I think in a very historic way, as you are coming home to examine the needs that we do have here for our county.

So you and I and the rest of the Florida delegation will be able to work in concert next year with great coordination in pushing through some of the projects that are so desperately needed and also at this time recognizing the severe shortage of Federal funds which is going to make coordination extraordinarily important.

On the House side, we have a very important member of the Florida delegation, Mr. Lehman, on the Appropriations Committee who hopefully can do much to assist us in achieving that goal.

Bob, I thank you for coming here and again congratulate you for your continuing interest in the needs of Broward County. You have held many, many hearings here in this area and I'm very much aware of it and we're very grateful to you.

[Congressman Shaw's prepared statement follows:]

STATEMENT OF HON. CLAY SHAW, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF FLORIDA

Mr. Chairman, of all the important issues facing our great state today, perhaps none is more pressing, more urgent, or affects a greater number of our citizens than the issue of transportation. Travelling around our state, one can easily observe the growing pains Florida is experiencing. Road construction and road improvements, coupled with chronic traffic jams, constantly remind us that Florida is growing by leaps and bounds. The choices Florida makes today concerning transportation will affect our state well into the next century. For these reasons, the decisions we make must be made prudently and wisely.

Recently, the Bush Administration released a blueprint for a comprehensive national transportation policy called *Moving America: New Directions, New Opportunities.* I applaud President Bush's and Secretary Samuel Skinner's leadership in this area. Most importantly, by producing this document, the national debate on transportation has begun in earnest. Congress will soon begin debate on the reauthorization of the Surface Transportation Act, which is due to expire at the end of fiscal year 1991.

While transportation is in the national spotlight, Florida must highlight its needs and the inadequacies of the present system. For example, Florida, as a contributor to the Federal Highway Trust Fund, is considered a "donor" state. This means that for every dollar Florida contributes to the Federal Highway Trust Fund, it only receives eighty-one cents ($0.81) in return. In comparison, the state of Alaska receives $6.90 for every dollar it puts in. Hawaii receives $2.60 for every dollar it contributes. I understand the rationale: that our interstate highway system is a national system, and that some states which are huge and sparsely populated will probably always be beneficiaries of this policy. However, I encourage my colleagues in Congress to reexamine this policy to see if states like Florida can get a higher, and hence fairer, return on the dollars they contribute. Of course, since the calculations for how many dollars Florida receives are largely based on population, Florida can expect a hefty increase next year. Unfortunately, because the census figures are not adjusted annually, a fast-growing state like Florida faces at the end of every decade a transportation budget shortfall.

Furthermore, concerning formulas, there are still some formulas on the books that were written early in this century. These formulas set our transportation priorities by factoring in such arcane and outdated variables such as "postal road mileage" which is better suited to the America of over seventy years ago. These ancient formulas must be updated and revised to fit the needs of the 1990s.

Lastly, I would like to discuss a transportation project of tremendous importance to the citizens of Broward County. The project to which I refer is a tunnel that would be constructed under the Intracoastal Waterway in Fort Lauderdale. Presently there is a drawbridge that spans the Intracoastal Waterway, but this bridge is old, needs costly repairs frequently, and opens as often as every fifteen minutes. This drawbridge is the most heavily traveled crossing point over the Intracoastal in Broward County, and the traffic is only getting worse.

Due to the expansion of nearby Port Everglades—the second largest port for cruise ships in this country—and because of plans to break ground for a new convention center in this area, traffic can only become more intolerable in the future. On top of all this, the drawbridge frequently has to be raised because it is the busiest entry and exit point for the Intracoastal Waterway in South Florida. All of these factors add up to an incredible gridlock.

Two years ago, Congress acknowledged the problem by authorizing and appropriating funds for a federal study to examine alternatives. As a result of that process, a consensus emerged among those who were knowledgeable about this situation that a tunnel was the best, most sensible and realistic course of action.

The city of Fort Lauderdale, Broward County, and the state of Florida have each committed to provide funds for this worthy project. I am optimistic Congress this year will also provide federal resources, making this project a true partnership of the local, county, state and federal levels of government.

As a former member of the House Public Works and Transportation Committee, I have had the unique opportunity to help Florida prepare for and meet its numerous transportation challenges for this new decade. Of course, with Florida's population spiraling upward and all levels of government strained for resources, the task before government will not be easy; yet the hard choices must be made if the challenges before us are to be met.

OPENING STATEMENT OF HON. BOB GRAHAM, U.S. SENATOR FROM THE STATE OF FLORIDA

Senator **Graham**. Thank you very much, Clay.

Clay, I would like to indicate that the scheduling of the date of this meeting was done without reference to the election schedule in Broward County but rather to the announcement some two weeks ago of the National Transportation Policy and this affords us an opportunity to secure some additional information on that policy and a reaction to it by a variety of individuals and representatives of organizations who will be affected by it.

I would like to thank Senator Burdick who is the chairman of the Senate Environment and Public Works Committee and Senator Moynihan, the chairman of the Subcommittee on Water Resources, Transportation and Infrastructure who have approved this hearing. I regret that they could not be with us today. I will pass on to them as well as the other members of the committee the information which I'm certain we will be generating today.

Testimony will vary over a wide range of perspectives. Witnesses have been asked to discuss specific proposals on the role of the Federal Government in the post-interstate era, to provide a status report on the current system and to give us a clear indication of Florida's transportation needs. Although it might not be apparent visiting Broward County, the fact is that over 99 percent of the Nation's interstate system has now been completed and therefore, the focus of the 1991 Transportation Reauthorization Act will be what should be the Federal role in surface transportation in the post-interstate era.

Not only are we anxious to hear from our witnesses on these points but we are interested in the witnesses' assessment of the President's National Transportation Policy and particularly its impact on this community and on Florida. President Bush and Secretary of Transportation Skinner are to be commended for initiating a national dialogue on transportation policy but the policy appears to be that—an initiation.

While the policy rhetorically initiates a National Transportation Policy, it largely leaves to the States, local government, and private sector the responsibility for moving those words into action through dollars.

Your comments on the appropriateness of a more de-centralized transportation system for America and the ability of non-Federal participants to accept a greater share of responsibility will be especially valuable to the committee.

The Secretary emphasized the policy is not the conclusion but the "beginning of a new era and an ongoing process." With this in mind, this morning we can make a contribution to that ongoing process. This hearing is part of a series of hearings the subcommittee will hold as it begins the legislative process to reauthorization of the highway program by October 1, 1991. With construction of the Interstate system now close to 99 percent complete, we need to reassess present transportation programs, reexamine the role of the Federal, State, and local governments, explore the potential of public-private partnerships and innovative approaches to meeting our Nation's transportation needs.

In that regard, we will be particularly interested in the comments relative to the Tri-County Rail and the High-Speed Rail Commission in Florida, two examples of innovation which could have national implications.

Congress is also deliberating on legislation that will affect the improvements of the National Clean Air Act, a particularly challenging problem in fast-growing States like Florida and communities like Broward County where we are adding more and more cars to our roadways, is how areas with polluted air will meet these stiffened national air quality standards.

One of the key strategies for obtaining clean air standards is by providing alternatives for the use of the private passenger vehicle, particularly automobiles used for commuting to and from work. The reauthorization of the Federal highway and mass transportation programs can play an influential role in helping individual cities attain theses higher air quality standards. It is therefore important to hear from transit interests as well as highway interests. Furthermore, the reauthorization cycles of the mass transit and highway programs are linked. The Federal Mass Transportation Act of 1987 was enacted as title III of the Surface Transportation and Uniform Reallocation Assistance Act of 1987. Authorization for Federal mass transit programs will therefore expire on September 30th, 1991 in conjunction with the highway program.

Although the Environment and Public Works Committee does not have jurisdiction over mass transportation programs, the Senate Banking, Housing, and Urban Affairs Committee, of which I and also Senator Mack, serve, does have jurisdiction.

I look forward to hearing what witnesses have to say about public transit and will pass this knowledge on to my colleagues on the banking and housing committee. Because of time constraints, all witnesses are asked to limit their testimony to a five-minute oral summary. Written statements will be included in their entirety in the hearing record. In addition, the record will be kept open for 30 days to allow those interested in submitting written testimony to do so.

I also understand that we have some people who have arrived and would like to make statements. At the conclusion of the formal agenda, we will provide an opportunity for those persons who have not spoken to do so for up to three minutes. If you wish to speak at that time, if you would so indicate to Miss Juliana Walch who is the staff director for this hearing and who happens to also be a resident of Broward County.

If there are no further opening comments, I will introduce Panel I in the order in which they are listed. First will be Mr. Leon Larson, Regional Administrator of the Federal Highway Administration; next, Mr. Gene Carroll, Director of the Office of Project Management, Urban Mass Transit Administration; and finally, Mr. Frank Carlile, Assistant Secretary for Planning and Engineering of the Florida department of Transportation.

Mr. Ben Watts, the Secretary of the Florida Department of Transportation, has extended his regrets that due to a meeting of the legislative transportation committee at this time, he is unable to be with us.

Mr. Larson.

STATEMENT OF LEON N. LARSON, REGIONAL ADMINISTRATOR, REGION IV, FEDERAL HIGHWAY ADMINISTRATION, DEPARTMENT OF TRANSPORTATION

Mr. LARSON. Thank you, Senator Graham, Congressman Shaw and Congressman Smith. It's certainly a pleasure to be here today to give testimony to your subcommittee.

I am Leon Larson, the Regional Federal Highway Administrator for Region IV in Atlanta, Georgia. I am here today to discuss the future of the Federal Aid Highway Program and other related issues mentioned in your letter of invitation.

I would like to start by addressing the recently released National Transportation Policy. This is the first National Transportation Policy since 1978. Secretary of Transportation Skinner initiated the National Transportation Policy development process a year ago realizing it was time to take a new look at transportation policies. The Department went out to the American people in more than 100 public meetings. In essence, what we heard was a call for an improved transportation system, a system with greater capacity and a sound financial base, a system that supports our national goals in the areas of safety, national security, environmental protection, and accessibility for all.

The National Transportation Policy provides a strategic framework for the national investment of time, of money, and of commitment. It shapes the future of passengers and goods in the 1990s and beyond. The policy is the basis for preparing our reauthorization proposal for the highway, transit and highway safety programs and other near-term legislative initiatives.

The Florida High-Speed Rail Project has the potential for becoming an excellent early example of this policy in action. The Department through the Federal Railroad Administration, funded the initial studies that demonstrated the potential feasibility of a high-speed rail system connecting Tampa, Orlando and Miami. The State, with the leadership of then-Governor Graham, established the Florida High-Speed Rail Transportation Commission to solicit and evaluate proposals and to award a franchise for the construction and operation by a private corporation for this high-speed rail system.

It is clear that the demand for mobility by the American people will continue to grow and our highway and roadway systems will continue to play a significant role in providing for that mobility. Our department will work closely with Congress in preparing legislation that will shape the Federal Aid Highway Program so it can respond more quickly and fully to increasing and changing demands.

There is much to do before we complete all the details necessary for a comprehensive bill. We are interested, as you are, in developing apportionment formulas that will treat all the States fairly and equitably.

In your letter of invitation, you expressed interest in requirements that govern right-of-way acquisition for Federal aid highways. The requirements that govern right-of-way acquisition on these highway projects are derived from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970 as amended and the implementing government-wide regulations. Florida like all States must have enabling legislation and procedures that meet the Federal requirements.

One focus of attention for meeting future transportation needs is preservation of land or corridors required for anticipated new capacity additions. If the land is not acquired and set aside in advance for facilities such as airports and highways, the property often will not be available to accommodate necessary projects in the future without serious dislocation. While preserving corridors is often costly in the short-term, in the long-term it can save the community and the general public the much higher expense of buying out and relocating high density development.

This concludes my statement. My entire statement has been provided for the record. I'll be pleased to answer questions at the appropriate time.

Thank you, Senator.

Senator **GRAHAM**. Thank you very much, Mr. Larson. We'll hear from all the members of the panel before we take questions and that will be the procedure followed throughout the hearing.

Our second speaker representing the Urban Mass Transit Association, Mr. Gene Carroll.

STATEMENT OF GENE CARROLL, DIRECTOR, OFFICE OF PROJECT MANAGEMENT, REGION IV, URBAN MASS TRANSPORTATION ADMINISTRATION, U.S. DEPARTMENT OF TRANSPORTATION

Mr. **CARROLL**. Mr. Chairman, my name is Gene Carroll. I am the director, Office of Project Management at the Urban Mass Transportation Administration's Region IV office in Atlanta. We are pleased to have this opportunity to appear before you to discuss UMTA, its programs, the National Transportation Policy and the coming reauthorization of the Federal highway and transit programs.

Let me begin by providing you with a brief overview of the key funding programs administered by UMTA. Each year, UMTA provides funds to about 450 urban mass transit systems using UMTA's formula and discretionary grant programs. A total of $52 billion has been provided since our 1964 beginning. By law, our grant program has two major categories—formula allocation and discretionary.

Under the UMT Act, formula funds are apportioned to urbanized areas based on population density and some other factors associated with transit service. Grants under this formula program provide financial assistance for capital, operating and planning grants, with the Federal share for capital being 80 percent and operating being 50 percent. For example, last year, some $1.6 billion was appropriated from the general fund for this program.

The discretionary program is funding for those projects which are not otherwise fundable under the formula allocated program. In fiscal year 1990, Congress provided UMTA with $1.3 billion in budgetary appropriations for discretionary grants. Funds for the section 3 discretionary program come entirely from the Federal motor fuel tax. The Federal share for these grants is 75 percent. The discretionary program has four major categories: bus, which is essentially buying buses and bus maintenance facilities and associated equipment; rail modernization, limited to refurbishing the rail systems of the older cities such as New York, Philadelphia, New Jersey and so forth; and then new starts, funding for fixed guideway projects that are newly constructed; and the last category of "Secretary's discretion" for funding any of these above three categories that the Secretary chooses.

UMTA also has a parallel program for the rural areas allocating some $65 million to this for essentially the same types of categories other than fixed guideway.

Now, I'd like to summarize DOT's new National Transportation Policy. As you know, President Bush and Secretary Skinner recently announced the National Transportation Policy. The policy encompasses six major themes. DOT is committed to maintain and expand the Nation's transportation system, foster a sound financial basis for transportation, keep the transportation industry strong and competitive, ensure that the transportation system supports public safety and national security and also protects the environment and the quality of life, and, finally, advance U.S. transportation technology and expertise.

What does this policy mean for UMTA? Local public transportation, including bus and rail transit as well as carpools, vanpools and other ride-sharing have a vital role in American communities. If it is coordinated more effectively with other forms of transportation and other local policies, public transportation can play an even greater role in ensuring the mobility for residents of our cities and towns.

The statement also includes principles for legislation to reauthorize the Urban Mass Transportation Program for 1992. Under the new policy, programs would emphasize effective movement of people rather than simply vehicles or other specific modes of transportation. It also calls for greater flexibility in the use of transportation trust funds for highways and transit, higher State and local share of the cost of Federally-assisted transit projects and reduced operating assistance for mass transit.

Let me address some of the issues briefly in a general way recognizing that we have not completed our specific legislative proposal. The key question regarding mass transportation is not what mode but what best serves the mobility needs of the affected citizens. We're finding, for example, that more and more Americans are commuting not from suburb to downtown but from suburb to suburb. Transportation policies should recognize this change and be designed to address this pattern.

We at the Federal level also have to carefully review our programs to see if there are ways to increase flexibility in decisionmaking at the local level. One obvious area for serious consideration is the interaction of the Federal Transit and Highway Programs. We are looking at ways that would make some of the funding under the different programs eligible for either transit or highway projects as was urged by many of those who participated in the hearings on the National Transportation Policy.

We would also like to see a larger State and local role in the funding of transit projects. As Secretary Skinner has noted, the more local financing that is involved in a project, the greater the likelihood that local officials will monitor projects better. It is easier to turn to the Federal Government for funding overruns than to have to get them from the local voters. Thus we are considering proposals that would increase the local share contribution on certain projects funded by UMTA.

In conclusion, Mr. Chairman, these are just some of the issues that UMTA is considering as part of the legislative proposal we will be submitting to Congress. We are looking at them in the context of the National Transportation Policy and we hope to present a strong framework for transit in the 1990s.

Mr. Chairman, that concludes my remarks.

Senator GRAHAM. Thank you very much.

Mr. Carlile of the Florida Department of Transportation.

STATEMENT OF FRANK CARLILE, P.E., ASSISTANT SECRETARY FOR PLANNING AND ENGINEERING, FLORIDA DEPARTMENT OF TRANSPORTATION

Mr. CARLILE. Thank you very much for the opportunity to be with you today and testify concerning the future of the Federal Aid Highway Program. Regrettably, as you indicated previously in your remarks, Secretary Watts is unable to be here in person today. He is attending a meeting of the Florida legislature's Joint Select Committee on Transportation that's currently dealing with the issue of transportation funding and needs on the State-wide level.

I am pleased to be with you however on his behalf, representing the Florida Department of Transportation. Before discussing our recommendations for a new transportation program, I would like to make a few comments about the National Transportation Policy that was recently released by U.S. DOT Secretary Samuel Skinner. We at Florida DOT applaud the Bush Administration's initiative to provide a nationwide focus on what we consider to be a very important policy consideration and that's our national transportation network.

While addressing many of the issues in a favorable manner, especially in the areas of innovation and providing greater flexibility to the States, we do believe it has one glaring shortcoming and that is in the area of funding. Again, as you indicated in your opening remarks, there's a greater reliance on local, the State and local officials for funding transportation needs in the new transportation policy as we understand it.

When you consider that Federal support for highway improvements has decreased by 21 percent over the last 20 years and when you consider that the collective balances in the Highway and Aviation Trust Funds exceed $29 billion at the present time, we question the idea that the States should pay an even larger share of the transportation funding costs. I might add that $29 billion cash buildup is expected to go to about $34 billion if the Administration's proposed budget is enacted.

Certainly, American transportation stands at a crossroad at this point and I might add, a congested crossroad. If our transportation system is to have a chance of keeping pace with growing needs in States like Florida, changes in both the funding and program structure are essential. With the Interstate construction essentially complete, we feel it's most appropriate that the reauthorization of the Surface Transportation Act address these issues and the need for program and funding changes.

In order to provide Congress and the Administration with Florida's input during the formation of the new National Transportation Program, we have prepared a brief report entitled, "Transportation 2020—Ideas for the 21st Century," a copy of which will be provided to accompany my testimony today.

The report really makes three basic recommendations— No. 1, that the balance in the Highway Trust Fund should be reduced in making increases in Federal transportation funding over an appropriate period of time. In addition, the overall Federal transportation partnership should be restructured and changes to the existing program made more effectively so that whatever level of transportation funding is provided can be put to the best use by the States.

We basically recommend that the current 60-odd-some funding categories and program areas be reduced to two major funding initiatives or program areas, if you wish. Finally, the current formulas which disperse transportation funds to the individual States should be revised to more accurately and equitably reflect today's needs. We actually make some specific recommendations in the report that I referred to. These policies and suggestions we believe are based on sound concepts and they're not just something proposed by Florida alone but basically this report reflects the recommendations that were made by AASHTO with regard to a new transportation policy.

Unfortunately, there are some that feel that the particular program we have now is proper and should remain in place, basically, maintain the status quo. I guess their motto is, "If it's not broken, then we don't need to fix it." However, we do believe that the system is broken in a few areas and if I could, I'd like to give you a few reasons why we do believe the system is broken.

Consider that in fiscal year 1988, Florida only received 64 cents back for every dollar sent to the Highway Trust Fund. Since 1956 when the Interstate program began, Florida has only received 81 cents cumulatively for each dollar that is sent back to the Trust Fund. If it's not broken, then why does current Federal law penalize minimum allocation States such as Florida which successfully pursue and obtain discretionary dollars by corresponding reduction in future minimum allocation funds?

In a similar vein, Federal emergency relief dollars are also treated as discretionary dollars and counted against the future receipt of minimum allocation funds. We think it's inappropriate to further penalize a State that has suffered a national emergency and upon receiving these funds have their corresponding minimum allocation funds reduced in future years.

If it's not broken, then why did the 1989 report by the U.S. General Accounting Office find that commitments from the Highway Trust Fund could be increased by $7.4 billion without violating the Trust Fund's protection provisions? Finally, why did a 1986 General Accounting Office report which evaluated the factors used to distribute Federal highway funds find that two of the factors which have been used since 1916—that's land area and postal mileage—were unrelated to either the extent or use of the Federal Aid Highway System?

Thirdly, we feel like the system is broken in these areas and we look to you to help to fix it. We at Florida DOT solicit your consideration of the suggestions and recommendations contained in our Transportation 2020 report. Again, I thank you for the opportunity to testify before you today and I'll be happy to answer any questions.

Senator GRAHAM. Thank you very much, Mr. Carlile, Mr. Larson, and Mr. Carroll. As I indicated earlier, a fundamental issue in the report by the Secretary and the President is the funding allocation.

Mr. Larson, what was the policy basis upon which the relative allocation of financial responsibility was predicated?

Mr. LARSON. The National Transportation Policy was considered to be just that, a policy statement that is to guide the transportation program in the United States off into the future. The issue of funding as it relates to the highway program is to be identified as the Administration develops the legislation for carrying the highway program beyond 1991.

Senator GRAHAM. Are you indicating that the report is not a final decision from the Administration as to what the relative funding levels will be?

Mr. LARSON. The National Transportation Policy certainly indicates that a greater share of the burden must be borne at the State and local level. However, the total Federal participation has not been determined at this time and will be determined at the time the Administration develops its proposed legislation for the future highway program.

Senator GRAHAM. What was the rationale for increasing the State, local, and user share, particularly as it relates to the highway system, and second, what do you think will be the criteria for determining the total Federal commitment to highway transportation finance?

Mr. LARSON. One of the reasons for emphasizing a greater involvement on the part of State and local government is the view that the projects that are developed both locally and at the State level are more in tune with the needs of the State and locality and greater benefit is received from a transportation standpoint for the dollars spent.

In addition, of course, projects that are developed at the State and local level, have greater potential for private involvement and private investment. As far as what the role will be for Federal funding in the future, Senator, I would say that that would have to await the development of the Administration's legislative package.

Senator GRAHAM. Will there be a set of recommendations for reduced Federal regulatory standards commensurate with the reduction in Federal financial support?

Mr. LARSON. Certainly, Senator. There are a number of regulatory issues that are being looked at at the present time, several in the trucking industry, to assure that all unnecessary regulations have been eliminated and also within the Federal Aid Highway Program, the item of regulatory relief is something that is being addressed constantly.

Senator GRAHAM. Within the area of the highway program, what would you see as some of the priority areas in which there might be relief afforded to the State and local governments so that they could exercise greater control, particularly in the context of their greater financial participation?

Mr. LARSON. Certainly in the area of systems, as to which roads are placed on the several systems that are developed, I see the State government in cooperation with the locals having considerable authority in that area. Also, in the area of construction techniques and construction procedures, I see greater latitude being given to the State in that area also.

Senator GRAHAM. My time is about to expire. When I come back, I'd like to ask Mr. Carlile for his thoughts as to where he believes such relief would be of greatest benefit to the State.

Congressman Shaw.

Mr. SHAW. Mr. Chairman, I'd like to pursue the testimony of Mr. Carlile while we have some of the Feds captive here.

Mr. Carlile properly pointed out some statistics as to the distribution of Federal funds. I believe that Hawaii gets back around $2.56 for every dollar that's sent to Washington. I would like for some of those dollars to go from Honolulu to Tallahassee.

The formula that he brought up as to postal route formula that was developed back in 1960 is a very poor measure, obviously, for the State of Florida and I would guess since Federal funds last year gave much more to the bridges of the State of Florida, then population has something to do with that formula also. This could be an issue that the Sun Belt caucus might very well want to pursue in getting a more equitable distribution of funds to recognize the areas of growing population.

I looked into this when I first found out about the 1960 formula and I have been told now that postal routes are not even being brought up to date and haven't been for a number of years. So we're using a system that is not only archaic in itself but also is a system that doesn't, in any way, reflect current needs.

Mr. Larson, could you comment on that? Feel free to correct me if anything I've said is incorrect.

Mr. LARSON. Congressman Shaw, we do in the distribution of Federal funds at the present time have the minimum allocation category which is intended to provide additional funds to the States that have been considered donor States in the past.

The minimum allocation category was an attempt to make whole some of the States that had been contributing more than they had been getting back. Regarding the future formula, the formulas for distributing Federal funds is another item that will be considered in the legislative package that is presently under development in the Department of Transportation.

Mr. SHAW. Mr. Larson, I don't want to make light of the discretionary funding because on the 595 project, I believe under the Reagan Administration, we were able to bring home under discretionary funding some $100 million—$101 million, I believe it was—to make this project a reality and that project is now an example of forward planning headed by our State DOT, and I believe the gentleman to my right here can also take a great deal of credit being the governor during the years that this happened.

However, I would guess that even the discretionary funding would not be sufficient to return to Florida a respectable 85 to 95 percent of the dollars sent to Washington. Do you know what percent this amounts to?

Mr. LARSON. If you include the Interstate discretionary and also the emergency relief, the formula is such that it is to provide that the State would get up to 85 percent of what was contributed to the trust fund.

Mr. SHAW. You stuck some words in there—"up to."

Mr. LARSON. Yes.

Mr. SHAW. "Up to 85 percent"—do you know what that percentage actually is?

Mr. LARSON. It should be very close to 85 percent, Congressman.

Mr. SHAW. I'd ask another question then.

Mr. Chairman, stop me when my time expires.

I'd like to speak for just a moment about the trust fund. Some very good points are being made about that. We also have the Airport Trust Fund. Mr. Moynihan, who's head of the committee which considers it has also made some reference to the Social Security Trust Fund.

What is the position of the Bush Administration on recommendations to take these trust funds off of budget?

Mr. LARSON. I would like to quote the National Transportation Policy regarding the use of the trust fund and I would like to quote from page 5 where the policy says,

> The user charges paid into the transportation trust funds must be dedicated to transportation to preserve the integrity of the trust funds and the user fee concept and to serve critical transportation needs.

The transportation policy certainly recognizes that the transportation trust fund is a key element in overall transportation funding. However, we also recognize that the transportation trust fund has to take its place with the entire funding scheme in the United States and the issue of the deficit problem.

Mr. SHAW. I'm certainly not pushing this off on the Bush Administration but if you take the transportation trust fund off the budget, you create a very big headache for the Congress as well as the Administration trying to structure this budget within Gramm-Rudman. However, on the other side, it is a dedicated task.

The huge surplus that has built up in that fund is not needed to protect the integrity of the fund. The whole thing goes back to the fact that we in Washington—Democrats, Republicans, the Administration and the Democratic Congress are using smoke and mirrors and not proven accounting methods in figuring out exactly what the true amount of the deficit is. We should face reality and take all of these dedicated funds off of the general operating budget in all fairness to the people who are paying into them.

I have overdrawn my time. I thank the patience of the Chairman.

Senator GRAHAM. Thank you, Congressman Shaw. I could not agree more with your statements.

For those in the audience who don't follow these matters, the way in which the Federal deficit is reported is by first arriving at a general revenue deficit which last year was something over $200 billion and then subtracting from that general revenue deficit the amount of surplus which is accumulated during that fiscal year in the various trust funds, the largest of which being Social Security which this year will generate a surplus of approximately $50 to $60 billion, the next two being the Highway and the Aviation Trust Funds.

So there becomes an incentive to restrict spending out of those trust funds because the larger the trust funds, the greater degree they serve as a mask over the general revenue Federal deficit and I think that the step that Congressman Shaw has outlined which is to take them away and therefore expose the reality of the general deficit will not only be a contribution towards truthfulness in accounting but will maybe be the spur to some political will to actually deal with the reality of our Federal deficit problem.

Let me come back to the question I indicated I was going to ask Mr. Carlile and that is, if there's going to be greater State and local financial participation in the highway fund based on the premise that increased local control equals greater efficiency in the use of taxpayer dollars, what are some of the areas in which you would like to be given increased freedom of action to take advantage of those efficiencies?

Mr. CARLILE. A couple areas—procedurally we would like to see a greater ability to utilize a certification acceptance approach in a lot of the programs. We in Florida have been working with the division office in Tallahassee towards that objective and we've been able to get a couple of the programs included into the certification acceptance approach whereby you don't have the more detailed and numerous reviews by the Federal Highway Administration but you certify that you're following the Federal requirements.

We can see some efficiencies there. Also, we'd like as I indicated earlier to reduce the number of funding categories in the program down to two major programs which would provide more flexibility in addressing the needs a particular State has, rather than having the needs and program emphasis defined at the national level.

I think it would be more appropriate for the States to have maximum flexibility to address their needs and to be able to move within certain limitations, funds between programs, even between mass transit programs and highway programs where you can show that one would augment the other, especially such things as high-occupancy vehicles, ride-sharing and other programs that maybe are on the highway side but certainly have an impact on mass transit, certainly to have the support at the Federal level for innovative financing techniques such as privatization and mixing Federal dollars with privatization or toll facilities.

Senator GRAHAM. Do you anticipate that State Association of Highway Administrators or other State-based public or private groups will be submitting lists of specific initiatives they would like to see taken in order to increase the flexibility of State and local governments?

Mr. CARLILE. Yes, sir. Senator, based on the meetings we've had through SASHTO and AASHTO, the national organizations, we see a strong movement in this regard. Obviously some of the less populated States would differ on the perspective that a growing State like Florida would have but I believe you will see initiatives in this area.

I think you'll see—at least in the areas of drawing down the balance in the trust funds and providing greater flexibility to the States, I think you'll see a common theme from the States.

Senator GRAHAM. This is a question particularly for Mr. Carroll. With the proposed reduction in Federal support for public transit, a concern of growth States like Florida is that we are just reaching the point of major development of our public transit systems. We now essentially rely on bus transportation. We have a fixed rail system in Dade County and one under development in Duvall County. Other communities have expressed interest in this.

There seems to be a certain degree of unfairness towards the rapidly-growing States in the country now that we're at the point of beginning to participate in Federal funding for public transit that the levels of support are being reduced. Does the Administration have any proposals to treat these emerging States in a way that will not put them at a inequitable position relative to the older States?

Mr. CARROLL. I'm aware of no specific proposals in that line. I will draw your attention to the fact that Miami has received a very significant amount of money for their rail system, something like almost $1 billion.

Senator GRAHAM. On a per capita basis, how would you assess the Federal support for public transit in an emerging State like Florida or like Arizona, Texas, California, vis a vis, that which has been provided to States that had their population in place before World War II, particularly those in the Northeast and the Midwest?

Mr. CARROLL. As you're probably aware, we have two categories. One is for refurbishment of older rail systems which gets somewhat more money than does the new starts category. The Congress essentially divides the funds that they appropriate between these two categories—new starts and the modernization of older rail systems—with the modernization of older rail systems getting somewhat more than the new starts but they're roughly the same. I think the new starts is around $400 million and I believe the modernization is around $500 or $600 million. I'm not exactly sure of that number.

Senator GRAHAM. As you look at the refinements of the Administration's recommendation in public transit, I would encourage you to be sensitive to this issue of equity over time as between the older States and the emerging States. Also, the question I raised in my opening statement—legislation that's now before the Senate and will soon be before the House will substantially tighten standards for air quality in our urban areas.

One of the primary means of meeting those standards is going to be through the reduction of the relative number of miles driven in private automobiles and encouragement of public transit. How does your overall transportation policy relate to that requirement that the Clean Air Act is going to impose?

Mr. CARROLL. Well, we have one specific action in that area. We're recommending that the particulate emission standard proposed for diesel buses, which is supposed to go into effect in 1991, of 0.1 grams, be raised to the level of 0.25 which is what heavy duty trucks are to meet in 1991. Other than that, I'm aware of no specific action.

Senator GRAHAM. Does your plan envisage that over the decade of the 1990s, there will be national policy that would affect the allocation of miles driven in individual automobiles vis a vis in public transit?

Mr. CARROLL. I'm not aware of a specific goal in the plan but the overall intent is to maximize the occupancy of vehicles—multiple occupancy of vehicles.

Senator GRAHAM. I'd be interested and maybe you could supplement the record with written materials as to what are the quantifiable goals in terms of that mix, how the policy proposes to achieve those goals and what relationship they will have to meeting the air quality standards that the Administration is supporting and I believe the Congress is about to enact.

Mr. CARROLL. Be happy to do that, Senator.

[The information follows:]

The National Transportation Policy does not specifically identify quantifiable goals. Rather, it addresses six major themes: maintaining and expanding the existing transportation system; providing a sound financial base for transportation programs; maintaining a strong and competitive transportation industry; ensuring public safety; enhancing the environment and the quality of life; and advancing transportation technology.

With regard to the highway and transit programs, we intend to address these themes more specifically when we present our proposals for the reauthorization of those programs. The current authorizations run through fiscal year 1991, so we are now developing our reauthorization proposals. In doing so, we are considering how our proposals could affect traffic congestion and urban pollution.

In addition to the transit initiatives contained in the Administration's proposed Clean Air Act Amendments, a number of other efforts are under way regarding mass transit and environmental issues. For example, the Administration's fiscal year 1991 budget submission proposes to use funds from the transit discretionary program to support the use of alternative fuels in buses purchased with UMTA funds. There are currently forty one applications in UMTA for the conversion or purchase of three hundred and seventy four alternative fuel vehicles to be used in mass transportation.

Senator **Graham**. My time has lapsed.

Congressman Shaw.

Mr. **Shaw**. Mr. Carroll, I'd like to pursue the emissions requirement for just a moment, if I may. We're told by the manufacturers of buses, we're told by the county transportation people, mass transportation system, that the emission requirements in the present law are not technically feasible at this particular time and they have come back and asked us to support changing this to the diesel truck standards.

What do you see in the out years? Is the Administration—I assume they're supporting that because you brought it up—but when do we feel that we can impose a stricter standard?

Mr. **Carroll**. It is my understanding that by 1991 they could meet the 0.25 gram standard, but not the 0.1 standard.

Mr. **Shaw**. I think this is particularly important because it's sometimes misunderstood. If we keep the standard at a point where it cannot be attained, then we're going to keep the old buses on the road. All of us have had the experience of being in traffic behind some of these old buses; our lungs and noses tell us about the emissions from those old buses. We've got to get them off the road. So if we set those standards up to a point where we are stretching and can't quite reach it, what we're doing is cutting off Federal funding for our new buses which will do a lot better job for us in helping clean up the air.

Mr. **Carroll**. I think our position agrees with yours 100 percent.

Mr. **Shaw**. One further area that I do want to touch on, Mr. Larson—you and Mr. Carlile particularly—the next panel is going to be discussing a project that's very important to Broward County and that's the tunnel. This is on 17th Street which is the main road that connects the beach area to the mainland here in Fort Lauderdale and it sits right at the mouth of the Everglades.

I said in my opening remarks that this is one of the busiest boat traffic areas in south Florida. It may indeed be one of the busiest if not the busiest in the entire country. We've got to do something about it. The county is putting a convention center right in that particular area which is going to substantially increase the flow of traffic back and forth to the beach area.

Because of the development and the structure of the intercoastal, the most feasible way of solving that problem is with a tunnel. However, we do recognize that a tunnel costs about three times what a bridge costs the city. Because of this, the State of Florida has indicated that they would be responsible for what a bridge would cost but nothing more. This leaves us substantially short of our goal.

I've talked to Mr. Lehman in Washington as recently as last Thursday morning and he assures me that he will be very supportive of putting this project into the appropriations bill this year which hopefully will get this moving along.

Are there any discretionary funds that are available and with the use of imagination or whatever in this particular area for restructuring——

Mr. **Larson**. Congressman Shaw, I'm not aware of any discretionary program that would apply to that project. I'm not aware of any.

Mr. SHAW. I believe there is, however, a bridge construction; isn't there?

Mr. LARSON. We do have the bridge discretionary program. We certainly do. The discretionary funds for that program go to bridges that are ranked throughout the United States and those bridges are some of the bridges that need replacement because of being deficient either structurally or functionally.

Mr. SHAW. The Senator and I are going over to look at the particular bridge this afternoon and there is a good chance we may be stuck when we get there. This bridge has problems.

This is a needy project. To the extent that we have the partnership and the cooperation between the city government and the county government who will also put forth funds—as a matter of fact, the city government has put forth $300 million which I hope will be matched by the county commission.

I would hope that if your time allows, that you might listen to the next panel since they will be discussing that particular project.

Mr. LARSON. I certainly will wait for that panel to make their presentation. Thank you.

Senator GRAHAM. I have two or three remaining questions. I will begin, however, with a request.

Mr. Carlile, you made some very specific critiques of the current funding formulas and its impact on States like Florida. I'd be interested if you could supplement the record with some specifics and particularly what, in addition to those items that you noted such as the postal roads, contribute in your judgment to this inequality of treatment and some particular additional information as to the way in which the minimum allocation States are treated.

For the record, could you indicate how does Florida fall into the category of the minimum allocation States and what is the basis upon which those States but not the non-minimum allocation States have their discretionary funds charged against them for future minimum allocations?

Mr. CARLILE. Basically, after the funding is taken off the top of some of the discretionary programs and some of the special programs like bridge replacement or whatever, the funds are allocated to the States based on the formulas in effect and there is kind of, I guess, a hold harmless provision, a minimum allocation, that is, to ensure a State gets at least 85 percent of its contribution to the fund. That doesn't mean you necessarily get 85 percent of the funds because often the amount of funds that are actually dispersed to the States are less than was actually taken in, one of the reasons for the buildup, so you could get conceivably less than the 85 percent.

As I indicated, we received about 64 cents on the dollar back in 1988 and cumulatively, it's been about 81 cents. For whatever reason, the policy was changed in the last couple of years, I believe, to in effect penalize any captured discretionary funds from minimum allocation States. If you were a minimum allocation State like Florida and you do receive discretionary funds, even in the emergency relief area, your next year's allocation is reduced by that amount.

We feel like that is punitive and should be reconsidered. As far as specific factors to be used in the formula, in the report that I am submitting as part of my testimony, we address the two funding areas in the appropriate factors or the factors we feel are appropriate to be used in distributing the funds and basically, they relate to vehicle miles traveled and lane miles and also we have a factor in there for diesel fuel consumption because we feel like especially in terms of interstate commerce, the trucking industry is extremely important. One of our major program areas is what we call the system of national significance and we feel like that should play a role in the distribution of funds.

The other half of the program, what we call our flexible program, it would basically—distribution would be based on your percentage of contributions but that information is contained in the report.

Senator GRAHAM. My last question has to do with the current use of the Interstate fund. There's been some criticism in this State and elsewhere that because of the restrictions on the use of the funds in the Interstate program, in the context of the fact that the program in terms of new construction is almost completed, that funds are being spent on what have been described as "nice but not necessary" projects, that is, not projects without merit, but projects which might in a larger context, be of a lesser priority.

I'd be interested, Mr. Larson, in your comments on that subject.

Mr. LARSON. We are continuing to construct the Interstate program as presently established. As we look at those projects individually, we do look at them very carefully to make sure they're needed projects and serve a significant transportation need. But in addition to looking at the total project, we do carefully review all design considerations and the entire project to make sure only those items that are necessary to serve overall transportation needs are included.

We do review the projects very carefully to make sure that the overall best interest of a cost effective project is served.

Senator GRAHAM. Mr. Carlile, from the perspective of the State Department of Transportation, if you had control over the Interstate trust funds, and, excluding those funds which are devoted to completing the system and enhancing the capacity of the system, would you allocate the balance of the Interstate funds to the projects that they are in fact being allocated to or would you find higher priority highway transportation needs in the State?

Mr. CARLILE. I think the particular programs that are being funded are appropriate. Maybe the level of funding needs to be addressed. The system is indeed nearing completion but we have some sections which are probably 25 years old or older. I believe about 50 percent of our urban interstate is congested. So we're looking at projects that would provide new access to the system as well as the rehabilitation of the system.

The amount of truck traffic is much greater and the loads are much heavier than we originally anticipated and we have a great need for continual rehabilitation of the system. So I would think in terms of the particular areas that we're addressing, I think they're most appropriate. We're looking at other things such as surveillance systems to try to improve congestion on part of the Interstate as well as motorist aid systems and I believe the categories or at least the projects we're addressing are appropriate.

Senator **GRAHAM**. Congressman Shaw.

Mr. **SHAW**. No questions.

Senator **GRAHAM**. Thank you very much gentlemen. We appreciate your participation here.

Panel No. 2—again I will introduce the members of the panel and ask them to come forward. We will ask them to speak in the order listed with the addition of Mr. Ralph Marrinson.

Commissioner Sylvia Poitier, Chairman of the Broward County Metropolitan Planning Organization; Mr. Ralph Marrinson, Chairman of the 17th Street Tunnel Advisory Board; Honorable Ed Kennedy, Board Member, Tri-County Commuter Rail Authority; Mr. David Rush, Commissioner of the Florida High-Speed Rail Transportation Commission; and Mr. Chester Colby, Director of Metro-Dade Transportation Agency.

Commissioner Poitier, thank you very much for your participation here today on behalf of the MPO and we would look forward to hearing your comments.

STATEMENT OF SYLVIA POITIER, CHAIRMAN, BROWARD COUNTY METROPOLITAN PLANNING ORGANIZATION

Ms. **POITIER**. Thank you, Mr. Chairman and Congressman Shaw. Today I greet you, the Senate Water Resources Transportation Infrastructure Subcommittee, as chairperson of the Broward County Metropolitan Planning Organization.

The MPO in Broward County is made up of five of the seven county commissioners and ten elected city officials from throughout the county. Basically our mission in life is to prepare highway and transit plans and to recommend priorities for funding agencies at all levels of government including the U.S. Department of Transportation.

I have asked the MPO staff who's right behind me to review our long-standing set of unfunded urban transportation needs and identify those which most clearly are legitimate requests for Federal transportation aid to Broward County.

These are our requests—completion of adequate connections to the Interstate highway system. We absolutely do not concur with the premise that the Interstate system is essentially complete in south Florida. We feel that this magnificent high-capacity system will be of only partial benefit unless we can improve our access to it especially in the built-up area. This matter was far from settled in Broward.

We could use an immediate infusion of Federal Interstate funding to do the following: First, develop an additional Interchange facility on the I–595 Port Expressway between I–95 and U.S. 1 Federal highway. This new interchange would serve industrial users on the north side of the Fort Lauderdale-Hollywood International Airport and provide additional access to the expanding Fort Lauderdale central business district from the south.

Second, extend the eastern terminus of I–595 into Port Everglades to upgrade its connection with Eller Drive, Eisenhower Boulevard so as to provide regional highway access to the new County Convention Center. Third, accelerate the completion of approach road improvements to reconstructed I–95 interchanges in south

Broward. These construction phases of these projects have been deleted from Florida's DOT's five-year work program.

Reconstruction and upgrading of bridge facilities over the intercoastal waterways—the existing 17th Street Causeway Bridge over the Intracoastal Waterway in Broward County is an ailing dinosaur. Heavy delays are experienced by both land and water-borne traffic affected by this facility. These delays clearly establish the need for its replacement. This causeway is a critical entry point from U.S. 1, the International Airport and busy cruise terminals bringing almost 4 million annual visitors to Broward County's unique oceanside resort and recreation area from around the world.

We think $29 million could be saved in terms of water vessel delay costs, travel time delay costs, and accident reduction benefits over the next 50 years. All of the impacts on travel demands previously mentioned will be brought to bear on a bridge that is increasingly mechanically unreliable. The bridge was out of service for a total of 37 hours during 1988 and for five hours, fifty-seven minutes during December of 1989 alone. During several recent weeks, almost daily breakdowns have eroded the public's confidence and caused massive delays.

We urgently need a Federal funding commitment to a replacement facility for the 17th Street Causeway. We'll let the engineers recommend whether a tunnel or a new bridge is best. The main thing is to get this project off dead-center.

Urban transit assistance—I hope you won't mind if we point out what we consider to be a glaring inconsistency in the new Federal Transportation Policy. The Federal Administration is proposing to reduce operating assistance for urban transit in fiscal year 1991. Whether you realize it or not, the Federal policy to reduce operating assistance is now discouraging increased reliance on transit. All efforts at the local levels are concentrated.

The five minutes was really not enough, so I have some very important points I'd like for you to consider this morning. Now for the comments. I'm sure you expect relating to the constraints on using Federal highway aid already appropriated to the State of Florida. We believe this is definitely a part of the construction funding problem for Broward County. To the best of our knowledge, these constraints are exercised by you to assist in balancing the Federal budget or in reducing inflationary pressures or achieving related objectives.

The cumulated impact of those constraints alone on Florida DOT District 4 portion of the five-year work program includes consolidated primary funding of 39.5; Interstate restoration, 27.9; Federal aid of 16.7; and time will not permit me to continue but let me conclude by saying as far as Broward County MPO is concerned, the CP program funds are needed now for improving Flamingo Road in the west, the IR needed for I–95 interchange, the M funds are needed for improving Pembroke Road in southwest Broward.

Thank you for letting me have this time and my remarks have been forwarded to you.

Senator **GRAHAM**. Thank you, Madam Commissioner.

Mr. Ralph Marrinson.

STATEMENT OF RALPH MARRINSON, CHAIRMAN, 17TH STREET TUNNEL ADVISORY BOARD

Mr. MARRINSON. Thank you, Mr. Chairman, Congressman Shaw. It's indeed an honor to have an opportunity to talk about the ailing dinosaur. I thank you for the new tag that we have for the causeway.

Recognizing that a picture is worth a thousand words, I would like to bring this up so you might have an opportunity to look at this.

Senator GRAHAM. Clay Shaw says he has one of these hanging in his office, so he has the daily opportunity.

Mr. MARRINSON. We kind of keep it there as a reminder of the importance of it.

The Port, the Airport, the Convention Center, the Beetree Development, the growth to the Interstate—all these are factors bringing about the increased demands on the causeway for both private vehicles, pedestrians, and commercial-type vehicles supplying the beach area.

The Convention Center we're very pleased about is ahead of schedule. Things are moving all except cars. The existing bascule bridge—bascule bridge simply means one that opens in the middle—is outdated, it's over-utilized and it's particularly beginning to wear out as has been demonstrated in the last several months. To fix it is to put a band-aid on a problem and does not solve a long-range need. We have some physical restraints.

About two years ago, Congress created a committee called the 17th Street Advisory Committee at the initiative of Congressman Shaw to look into the various solutions. We looked at three—one, a fixed-span bridge which would have to be in excess of 65 feet high because of the physical restraints on the eastern side, that is, the waterways. It would have to be a very high slope up and a very fast slope down, thus creating both a visual obstacle as well as a potential for a somewhat dangerous situation. It would further restrain any high-mast sailing vessels from coming up the intercoastal waterway at that point.

If it was raised any higher, up to 80 feet, it would increase obviously the angle of ascent and descent. We looked at an increased-size bascule bridge going from existing 23 feet to 43 feet. That would cut down some of the openings but would not solve the long-range problem.

We then looked at the underwater bridge. So we can keep it all in bridge terminology, the underwater bridge concept, although the most expensive, provides an unobstructed means of vehicle movement through that area—both vehicles and pedestrians.

We have proposed and have prepared a report with regard to a bifurcated tunnel, that is, two separate tubes, two lanes in each direction, and a pedestrian walkway. I'm very pleased to report that this is very much of a bipartisan project— Democrats, Republicans, independents, city, county, State, port, Federal, et cetera. Everybody is in support of it.

We just need to make it happen, as the Commissioner just pointed out. The city has supported it. The county has supported it. The port, the State legislative delegation, the FDOT, all have been extremely cooperative and it's time now that we get moving in the development of this to resolve a problem that is increasing on a daily basis and I would reserve any additional time to try and answer any questions you all may have.

Senator **Graham**. Thank you very much, Mr. Marrinson.

Commissioner Ed Kennedy.

STATEMENT OF ED KENNEDY, BOARD MEMBER, TRI-COUNTY COMMUTER RAIL AUTHORITY

Mr. **Kennedy**. Thank you. It's nice to welcome Congressman Shaw home, and Senator, it's always a pleasure to have you visit us in Broward County.

Senator **Graham**. Thanks, Ed.

Mr. **Kennedy**. Speaking for the Tri-Rail Commuter Rail Authority and all of us in south Florida, we're working towards a better transportation future. I welcome you and I thank you for this opportunity. As a county commissioner and as a member of the Tri-County Commuter Rail Authority Board of Directors, I'm especially pleased to be with you today for transportation, water and environmental issues are of paramount concern here.

As I am sure you're aware, Florida is one of the fastest-growing States in the Nation. About a thousand people a day are pouring into the State and many of them are pursuing new lives in the south Florida region. At the same time, south Florida is an international resort, attracting millions of domestic and foreign visitors each year. Moreover, south Florida is home for millions of seasonal residents who winter here.

In short, this is a unique region with a unique population that is in a constant state of ebb and flow. Our geography is equally unique. Unlike other regions in the Nation which are generally radial in configuration, south Florida is longitudinal. It's virtually a narrow corridor compressed between the Atlantic Ocean and the Everglades. We like to call it the Gold Coast and with good reason. It's a wonderful sub-tropical place with an extremely delicate environment that can only be preserved if we grow and develop in an orderly manner.

I present these realities as a backdrop to the challenges we are confronting in the arena of transportation. As an issue, transportation is without peer in this region because we simply cannot meet the demands of incessant growth and maintain the quality of life and environment without a workable transportation system that balances the private automobile and public transportation. To do otherwise would be turning south Florida into an asphalt and concrete grid, an unthinkable thought.

As you will hear from others this morning, we have and continue to pursue a system of a balanced transportation and I would like to focus on the role of commuter rail in the overall system. At the risk of appearing immodest, I will first note that Florida planned and launched the first new commuter rail system in the United States in more than two decades. While other States and local governments continue to plan such systems, we are now into the second year of operating a commuter line between West Palm Beach and Miami.

This is a noteworthy accomplishment, not because commuter rail is a dramatic new technology but because the local governments in this region joined together and worked in concert to meet a pressing need. I would also point out that this bold move involved—I dare say required—the best of Federal, State and local partnership. As a matter of background, the Tri-Rail Commuter System is viewed as an important traffic mitigation measure during the period which Interstate 95, the region's transportation backbone, is being reconstructed. We also knew that commuter rail had to be a long-range strategy at creating a truly balanced system of transportation capable of fostering orderly growth and development in this region.

So, as Ed Koch, the prior mayor of New York would say, how are we doing? Please consider these facts. One, daily rush hour train service began in January, 1989. The system was put on track with $120 million in Federal, State and local funds at the same time that I-595 was built for $1.2 billion and I-95 was being widened at a cost of $400 million.

Midday service was introduced in January of this year. Ridership since January has increased 60 percent, an unprecedented figure in the transit industry. Tri-Rail service to major events in the region continues to attract more and more riders.

A growing number of working commuters are finding that commuter rail is not just a viable but an attractive alternative to driving, especially as there is so much highway construction underway in this region. In its brief operating history, Tri-Rail has demonstrated that commuter rail service can meet the needs of a highly-diverse marketplace in an extremely dynamic region.

Is it perfect? No. Can it be improved? Yes. More to the point, should we continue to improve it? Again, I say yes, and for a multitude of reasons. First and foremost, Tri-Rail is a new and growing system. As I mentioned, ridership is up 60 percent just since we added midday service. Commuter rail is by far the preferred option for commuters who have a choice. This is self-evident in any major European or Asian city as well as other regions of the United States. It is quite simply a 19th century solution to many 21st century transportation problems and this accounts for a number of other commuter rail systems being planned around the Nation.

It is most assuredly a sane, practical solution in south Florida where growth is outdistancing our ability to build new or widen existing highways and arterials. Specifically, one Tri-Rail train with four cars carries 672 seated riders and there is space for many more. Think of how many vehicles are removed from the highways, how much energy is saved by thousands of people commuting on the train, think about the reduction in pollutants and think about the increase in employee productivity when they do not have to fight traffic on a twice-daily basis.

Convenient, affordable, public transportation does not detract from the roadway system. Rather, it maximizes our investment in it. Smooth-flowing traffic supports business and commerce and is precisely why we must continue to improve and expand Tri-Rail and the interconnecting services that makes it a user-friendly system.

I appeal to you to support the partnership of Federal, State and local government as we make the necessary improvements. We have a strategic plan detailing these improvements and we are ready and willing to pursue them. As the first community in the Nation in more than 20 years to start a new commuter rail system, we seek and value your support and we pledge our commitment to running an efficient, productive system.

We can do this because our costs are not fixed, because we expressly crafted a system that provides the flexibility and the opportunity to control costs through competition in the marketplace. We think we've created a model for other communities and we look confidently toward a growing system that continues to contribute to the social, economic, environmental well-being of this region. With this in mind, I point to the fact that the Interstate program is nearing completion.

With regard to the Administration's new National Transportation Policy announced earlier this month, we sincerely hope that attainment of this important milestone will not dim our individual and collective sights for other transportation needs.

In summary, I'd like to say that we are in the process of redefining the Federal, State and local government partnerships in this Nation and this hearing will do much to help in this process and that concludes my testimony. I'll be available for any questions that you might have.

Senator GRAHAM. Thank you, Mr. Commissioner. I want to say I did have an opportunity to recently ride on the Tri-County Rail and it's an excellent system providing a great and expanding service to southeast Florida and I congratulate you on your leadership.

Mr. KENNEDY. Thank you, Senator.

Senator GRAHAM. Next, Mr. David Rush, a member of the Florida High-Speed Rail Commission.

STATEMENT OF DAVID RUSH, COMMISSIONER, FLORIDA HIGH-SPEED RAIL TRANSPORTATION COMMISSION

Mr. RUSH. Senator Graham, Congressman Shaw, I appreciate your invitation and the opportunity to report on Florida's efforts to bring high-speed rail magnetic levitated train travel to Florida. I'd like to tell you how this means of transportation can improve the State's and the Nation's transportation picture. Our work in Florida exemplifies the emerging need to support and develop new transportation technology on the Federal level and conserve as a model to formulate a new era of public-private partnerships.

I'm David Rush. I'm appearing in my capacity as Commissioner of Florida High-Speed Rail Transportation Commission. I was appointed to this commission and its predecessor committee in 1982 by then-Governor, now-Senator, Bob Graham and have been at it ever since. I'm in my second four-year term having been reappointed by Governor Bob Martinez. I also serve on the Tri-County Commuter Rail Authority.

I was pleased to have had the opportunity to testify before the National Transportation Policy Seminar last August when the National Transportation Policy was being formulated and encouraged that policy release last week by the President supports the development of high-speed train transportation to help meet our intercity passenger transportation needs.

I would like to publicly thank FRA Administrator Gil Carmichael for his cooperation and support of the Florida High-Speed Rail initiative. With your permission, I'd like to summarize my remarks briefly as I have submitted a more detailed written report. It's altogether appropriate and in the public interest that the Federal Government provide leadership and support to the Nation's transportation network. That has been the case with the Nation's superb Interstate and now must be continued as the Nation reassesses its transportation philosophy and its role in satisfying current and future transportation needs.

It's apparent that besides the need to maintain the highway system, attention must be given to alternate means to fill the ever-increasing need to move people and goods. In urban environmentally-sensitive areas, more pavement is not the answer. In the Tri-County southeast Florida area, State planners theorize that by the year 2000, just ten years from now, an additional 44 north-south lanes of roadway will be required. That is not only impossible. It's frightening.

The transportation future must envision other means of travel in addition to roads and the automobile. There is ample evidence of this. Our citizens are smog-shrouded. There is a decrease in available land and our environment is jeopardized even more when roads encroach on our more sensitive environmental areas.

Florida is especially vulnerable. It is one of the fastest-growing States and with its extensive shallow wetlands providing the foundation for its ecosystem, the State is under tremendous pressure to develop alternatives. Here, as elsewhere, the transportation network controls the growth thereby influencing the economy and quality of life. In Florida, the future is now. Florida has more cars than people—12 vehicles for every 10 human beings, more than any other State in the Nation. California as an example, has 8.5 cars per 10 people.

In the late 1970s, business and government leaders began studying the feasibility of high-speed train travel as an alternative for Florida. In 1982, with the Executive Order signed by then-Governor Bob Graham and a $500,000 grant from the Federal Railway Administration, the 14-member High-Speed Rail Committee on which I serve began its task. It sought to determine whether or not high-speed train travel was appropriate as a transportation alternative for Florida. More importantly, in light of dwindling economic sources and for the first time since the railroads of the late 19th century could a public-private partnership build and construct such a means.

The feasibility issue in 1984 gave the numbers and answered that question in the affirmative. With this feasibility study as a basis for a public-private partnership, the High-Speed Rail Act was enacted by the State legislators in 1984 and is now part of Florida's statutes. The statute established the High-Speed Rail Transportation Commission to develop the requirements, solicit private sector interest, and award an exclusive franchise to a consortium that could demonstrate that a multi-billion dollar high-speed rail system could be financed, constructed and operated without public subsidy.

In order to attract the highest-quality private sector interests, the law provided several incentives: property development rights and streamlined permitting to help finance the system; availability of State-owned transportation corridors; over 80 percent of the proposed corridors State- owned; tax-exempt bonding authority, which at the request of our Commission and through the efforts of the Florida Congressional delegation was successful in having that done.

So, may I have an extra minute or so to conclude?

Senator **Graham**. Complete your remarks. Yes, Mr. Rush.

Mr. **Rush**. Thank you.

After a year and a half of careful review, the Commission in November selected the plan of the Florida High-Speed Rail Corporation to proceed through the next year and a half of a review. The corporation proposed to build, operate and finance a high-speed rail system between Miami, Orlando and Tampa using a high-tech state-of-the-art, Swedish-design train produced by ABB Corporation, one of the largest industrial enterprises in the world.

I'd like to congratulate Mr. Redding Stevenson who is here today, President of Florida High-Speed Rail Corporation. The 30-company consortium has invested over $10 million to date in proceeding through the franchise. This is ample evidence of their caliber and serious effort. The Swedish- made ABB train would travel 150 miles an hour or more and will whisk passengers between Miami and Tampa in less than three hours. Automobiles would require more than twice that time.

On-board amenities on the high-speed trains will include such items as computers, phones, fax, travel desks for the business traveler and child care areas and food service for the leisure traveler. It's estimated that this system would eliminate the need of about 300 lane miles of roadway at a cost saving of almost $1 billion. In addition, high-speed rail is twice as energy efficient as the automobile and three times as efficient as the airplane.

It's expected that the high-speed rail franchise will be awarded in 1991 with the first trains operating in 1995 and helping celebrate Florida's 150th birthday.

The rest of my thoughts have to do with the mag lev operation. I will bypass that and go on to the support that we do need from the Federal Government. I think there is also a need for the Federal Government to go ahead and accommodate high-speed rail along the Federal highway system corridors. As I mentioned earlier, it's an important incentive to attract private sector interests in Florida projects.

The Federal Government needs to continue to address the problem of safety standards in technology as well as the elimination of grade crossings. We have had a series of very productive meetings with the FRA and I'm confident that will lead to a model safety standards program for both high-speed rail and mag lev throughout the United States. There is the opportunity to have something positive occur in the bleak transportation picture. High-speed trains offer a environmentally-sensitive growth management tool and a low- cost transportation alternative for the United States.

Thank you very much.

Senator **Graham**. Thank you very much, Mr. Rush.

Mr. Colby.

STATEMENT OF CHESTER E. COLBY, DIRECTOR, METRO-DADE TRANSIT AUTHORITY

Mr. Colby. Thank you, Senator Graham, Congressman Shaw. In my position as the director of the Transit Agency in Dade County, I'm responsible for the bus system, the heavy rapid- rail system, the people mover, and our special transportation service. Every day we hear about congestion, traffic reports that say how bad it is and now gridlock is finally in the dictionary. Those are daily comments that all of us read or hear about. We in south Florida of course are no different. We have a population greater than some 30 of our States and we must take action to preserve this precious mobility.

In Dade County alone, more than 35 percent of our arterial highways are critically congested and our rush hours continue to get longer and longer and longer. We are about to complete in the next three or four years our people mover extension in downtown Miami and during the next 20 years, we intend to construct or improve over 346 miles of our roadways in Dade County which is some 84 percent of our needs.

In addition to that, we're going to construct zero percent of our transit projects. Why no transit projects? Because we don't have a stable, dedicated source of funding but we're getting ready to belly-up to the bar, so to speak. In November, there will be a 1 percent sales tax election will be on the ballot. You heard about the Broward County experience. We hope that we will be successful. These kinds of tax increases are always difficult but if approved, we'll be able to maintain and improve the transit system.

Shortage of funding is not new. They exist. The Federal deficit—you see that in the newspaper everyday but State and local governments aren't any healthier. Dade County along has a $100 million shortfall projected for next year. So the funding is constrained but at the same time, transit ridership continues to grow. Last year the bus service ridership increased 11 percent, rail 17 percent, the mover, 5 percent, and special services for the elderly and handicapped, some 24 percent.

The average rail ridership in Dade County was at 47,800 in February, which is making significant improvements and maybe we'll some time approach our initial goal but the Federal Government must remain our transit partner. Funding for mobility must not just be preserved as is in the policy but increased if we are going to succeed but transportation infrastructure is very expensive. The numbers grow so large so fast it scares everybody but solutions include stable sources of increased funding at all levels—the Federal, State and as well as the private sector and increased fare box revenues from the transit system.

We need to have cost-effective solutions though in our investments and our administrative structures must be very lean. Now, two short weeks ago, President Bush and Secretary Skinner released the National Transportation Policy—Moving America. An incredible amount of work went into this policy and indeed, America did speak out in the numerous public meetings held across this country.

The document does identify many of our needs and contain statements on how we must maintain and expand our Nation's transportation systems. Then comes the cloud of the national budget problem. A simple solution, the Federal Government has identified our needs. Let's just simply turn it over to State and local government and the private sector. We have the solution. Wrong. No one entity can do it alone. The policy is under some criticism and that's somewhat unfortunate because the needs have been identified.

I've heard statements like, "All flash, no cash," "Long on advice and short on help." These are common remarks concerning the policy but one thing the policy has done is bring the transportation problem to the attention of the Nation. It was the No. 1 news story for more than two days. Now, I would encourage Congress to review that public input that went into the development of the policy. That was very good input. Look for financial strategies that will lead to meaningful solutions and this may mean an increase in the Federal gas tax if that's one solution to be found.

Perhaps the Federal gas tax has to be used in the future for other than deficit reduction. Now, the Federal Transit Program itself has been reduced from $4 billion to $3 billion over the last eight years and another 33 percent reduction is proposed for the next fiscal year. At the local level, we also see a 5 to 6 percent reduction in funding due to the county's own budget problems and ridership is increasing at double digit percentages.

Reauthorization is very important of this transportation program and you can set the stage for not just the 1990s but for the next century. Continue the work, I urge you and Secretary Skinner and provide the Nation with not only problem identification but meaningful solutions for the future mobility of our citizens.

Thank you for this opportunity to appear before you.

Senator GRAHAM. Thank you very much, Mr. Colby, and to each of the members of our second panel.

I would like to put a question to the four of you who are dealing with projects that are either underway or hopefully soon will be underway and that question is, had the transportation policy as announced in the Moving America report issued by Secretary Skinner been in effect, let's say 10 years ago in 1980, what impact would that have had on your areas of responsibility?

For instance, Miss Poitier, how much additional local funds would Broward County have had to generate had the level of Federal support for your Federal Aid Transportation Systems been at the proposed level rather than at the levels that they in fact have been at since 1980? I recognize that's a fairly technical question and you might want to answer in generality and then supplement the record with some hard numbers.

Ms. POITIER. Well, in generality, in my remarks I was supposed to say to you this morning that Broward County has levied a part of its local taxes to help supplement some of the funds that were taken away by the Federal dollars not coming. On the technical side of it, I think that Mr. Wilson who is the director of our department, can give you the exact figures without having the finance director here because it adds to quite a bit each year when we give it up.

Senator GRAHAM. Would you introduce yourself for the record, sir?

Mr. WILSON. Bruce Wilson. I'm the MPO staff director. The 6 cents local option gas tax brings in about $30 million a year. We split that on a two-thirds/one-third basis with the city so of that $20 million a year, we use at least half of that to help reduce the transit operating deficit. So that's $10 million a year that we're putting into the program to help overcome the Federal backoff from the program.

Senator GRAHAM. Let me restate the question and again suggest that you might want to supplement the record.

I'm interested in attempting to assess what the future impact of the changed Federal financial role will be, sort of to look back and recast the books for the 1980s had those books been on the funding allocation levels that are recommended. That is to say, if you had received not what you did receive but the recommended amount for capital equipment and operating costs for your public transit system—not what was received but what's recommended to be received for highway development—what would have been the impact of those levels on Broward County assuming that the same level of service would have been provided but that the local government would have been required to provide the differential?

What in dollar terms would that have amounted to?

Mr. WILSON. Okay. I think we will need to go back to the drawing board and get it in but it's going to be a grim exercise, Senator, and a lot of our needs are on the Federal Aid System, some $200 plus million shortfall in the Federal Aid Highway System which we're looking to the county to make up for that differential over and above our contributions we've already been making.

Presumably, we'd have to just start by doubling the county contributions that are being made to the State Highway System now and we're having trouble raising local taxes to meet those needs, but we'll go back to the drawing board and submit some testimony within your 30-day period there.

Senator GRAHAM. Thank you, sir.

Ms. POITIER. I would just add on to it, Mr. Colby mentioned our defeat on Tuesday but just as recently as Tuesday, with my figures, we can show at least about $84.1 million that we're supplementing or will have to supplement to meet the needs to keep the quality of life in Broward County.

Senator GRAHAM. Thank you, Miss Poitier.

Mr. Kennedy, if the policy contained in Moving America had been in effect, what impact would it have had on the establishment and the current operation of the Tri-County Rail?

Mr. KENNEDY. Senator, since most of the Federal funding is coming out of Federal highway funds, I'd have to say that the Tri-Rail would not have gotten off the ground but what we're looking at here again is a redefining of the partnership of governments—local, State and Federal. I think Florida has got caught in the change in philosophy. Our growth has happened when the philosophy of Federal participation in government is declining.

So I think more importantly, to take the Administration's transportation policy, I think both local and State—I guess what I'm saying is, Federal Government cannot act in a vacuum and unilaterally make decisions and I think the Secretary of Transportation went all over the country and heard input. I don't think we've heard the last of the finalization of the transportation policy. It's got to be redefined more specifically and local government, both from a county and a State standpoint, has got to provide more input and I guess fix responsibilities.

Whose responsibility is to do what, and from a management perspective, the government in the United States today is in a chaotic position, especially where I sit and Sylvia sits, from a local standpoint. Who's in charge and who's supposed to do what? The scenario of no new taxes has filtered down to the municipal level and I think the Federal Government which has the philosophy of no new taxes should have had a caveat that said, we on the Federal level feel that things could be done much better on a local level. We're going to cut Federal taxes, but, expect your local taxes to be increased to pick up the priorities that must be done to make your communities function.

I think cutting taxes is nice to go to the public but also, the abrogation or just the walking away of responsibilities was not the proper way to go. It is a partnership and through the Florida Association of Counties and the National Association of Counties and with Federal participation, I think we need more of a partnership dialogue which we do not now have.

Senator GRAHAM. Excuse me, Congressman Shaw. My time is up but I'd like to get Mr. Rush's and Mr. Colby's response to that same question.

Mr. Rush, had these policies been in place at the commencement of the high-speed rail proposal in Florida, what effect would they have had?

Mr. RUSH. Well, sir, as you know, the High-Speed Rail Act does in fact look to the private sector for the total financing. There were no funds really requested from the Federal Government for the accomplishment of that, so in effect, it would not really have affected the actual establishment of the High-Speed Rail Program.

What we are looking to the Federal Government for primarily are the safety aspects, to make sure of establishing a central policy for safety and also for standardization since all the other States are looking at what we are doing here and there are 13 other States that are watching us and we are in the forefront of it.

If we succeed, the private sector will then go ahead and help establish transportation systems of the future without the need for the tax dollars and hopefully those tax dollars then can be utilized to maintain our highway system which is in very, very dire need and obviously the States are not going to be able to support it.

So, in effect, sir, to answer your question, it would not have affected us at all.

Senator GRAHAM. Mr. Colby.

Mr. COLBY. I think it would have affected us dramatically. I would assume that the operating assistance would be as proposed in the policy and that the program would have already have been reduced by that $1 billion and the ratio of formula would be to 50 percent instead of the 75 or 80 percent that we experience. The operating assistance would probably have been down some $85 million over that 10-year period. The formula grants that we receive would probably have been down 100 to $150 million and the construction of the Metrorail and Metromover would have probably increased the local share—if we would have had it on the ground at all— $300 to $400 million.

So it would have had a dramatic effect upon us.

Senator **Graham**. If you would care to supplement the record, we would appreciate it.

Mr. **Colby**. I'd be happy to.

[Mr. Colby supplied the following:]

METRO-DADE TRANSIT AGENCY

METRO-DADE CENTER
111 Northwest First Street-Suite 910
Miami, Florida 33128-1999

April 18, 1990

The Honorable Bob Graham
United States Senate
SD-241 Dirksen Senate
 Office Building
Washington, D.C. 20510

Dear Senator Graham:

During your committee deliberations in Fort Lauderdale last month, you asked me to think about what would have happened differently to public transit in Miami during the past decade if the Administration's National Transportation Policy (NTP) had been implemented in 1980.

Metrorail would have been completed, but Metromover probably would have not been started. By 1980, funding agreements between Metro-Dade and the United States Department of Transportation were in place for the existing 21.1 miles Metrorail line. However, the Metromover Loop would have been subject to increased non-Federal funding requirements. As it was, the final Federal share of the Loop was only 55 percent, as Metro-Dade paid the largest portion of increased costs, but an initial Federal commitment of 50 percent likely would have halted the project at the preliminary engineering phase. The only conceivable course of action to save the Loop would have been as a result of the NTP's commitment to technological advances, and as you know, the Loop was America's first automated peoplemover designed for downtown circulation. And finally, it is unlikely that the Metromover Extensions would be progressing through the design phase, as is the case today.

If transit operating assistance to urban areas of over one million in population has been curtailed in 1980, we would have lost $90 million of Federal support. That translates into 21 percent of our FY 80 operating budget, and 6 percent this year. Service cuts, higher fares, more State and local support are among the probable results. Perhaps such a funding crisis would have forced a local decision regarding dedicated transit funding. Perhaps not, in which case riders and our environment would have suffered.

While construction and operating impacts are relatively easy to portray, many aspects of the NTP are likely to have caused more subtle changes in public transit. For instance, Secretary Skinner calls for better training for transportation employees and managers, commitment to improved fuel efficiency and accessibility. The payback from concerted programs for research, training, compassion, etc., is beyond my forecasting power.

There are, however, some obvious needs today that are not satisfactorily addressed in the NTP. Several prime examples are the lack of integration between public transit and environmental objectives, and the absence of specific goals for rail transit projects. The NTP identifies national transportation issues without provision of realistic solutions.

I hope these brief comments adequately respond to your question. It would be my pleasure to assist you further.

Sincerely,

Chester E. Colby
Director

c: Joaquin G. Avino,
   Metropolitan Dade County Manager

Senator **Graham**. My time has expired.

Congressman Shaw.

Mr. **Shaw**. I would simply add, I think if that question was presented to Mr. Marrinson, he would say we would be about where we are now.

Mr. **Marrinson**. Exactly what I was going to say.

Mr. **Shaw**. Mr. Colby, listening to you talking about gridlock, the Senator and I go back to our childhood down in Miami and I can remember back in the late 1940s—gridlock is nothing new for south Florida. Even in the late 1940s, I can remember rush hour traffic being grid-locked along U.S. 1 between downtown Miami and northeast 79th Street and if you happened to hit rush hour, it seemed like the time you spent in traffic just went on and on.

We can well imagine what south Florida would be like without the Interstate highway system, without I–95 and now without a widened I–95.

To hang on to the Senator's question however, I think that what we desperately need is more fairness in the distribution of Federal funds. That's nothing new. It's something that dates back to the origination of the Interstate highway system. Interstate transportation is definitely a function of the Federal Government. We don't have to only look at Florida, what would our Nation be today without the Interstate system. If it wasn't for people as far back as President Eisenhower having the vision to recognize the need for an Interstate highway system throughout the United States, you can well imagine what the economy of this Nation would be like, not to mention, the quality of life.

I have no questions to present to this panel. I would like to point out the tremendous amount of imagination and vision that we're having here in Florida. Starting in Dade County, one of the best mass transportation systems in the entire country which hopefully will be connected to a efficiently operating Tri-County Rail System which was fathered pretty much by Ed Kennedy and I think in talking about that, we have to talk about the imagination used in the application of Federal detour funds. If we were not going to widen I-95, those dollars would not be there.

I'm very encouraged this morning to hear about the 60 percent increase in ridership. Hopefully, people will recognize the quality of the transportation between the counties. The High-Speed Rail effort that we're seeing is something we never would have envisioned 10 years ago in Florida. It's really going forward and I am particularly delighted to see that this is being used or being brought about without the use of federally-funded projects and we're looking to the private sector for some answers. We're not always looking to Washington for the answer where we find—65 cents on the dollar.

One point that I'd like to make as part of the record of this hearing and that is the emergency nature of the need for these transportation—for these transportation dollars for the construction of the tunnel. The staging area that is going to be absolutely needed to construct this tunnel might very well disappear under the construction of new motels. That is an area that sits directly across from Pier 66.

If that area is gone, I don't know whether we can basically construct a tunnel at that particular location and of course, you can't go back and condemn a hotel and take it out.

I would hope that the same imagination that we used on the Tri-Rail County facility can be used and discretionary money be made available.

With that Senator, I'd be happy to yield whatever time I have.

Senator GRAHAM. Thank you, Congressman Shaw, and thank you for a very excellent set of statements and we look forward to receiving additional information. Thank you very much.

Ms. POITIER. Thank you.

Senator GRAHAM. Panel No. 3 will provide the focus of private sector and system users. Again, I will introduce the participants in Panel 3 in the order in which we would like their statements: first, Mr. Harry E. Bertossa, associate with the Howard, Needles, Tammen and Bergendoff engineering firm in Orlando; Mr. Robert E. Burleson, President for Transportation Builders Association, Tallahassee; Mr. Don Crane, Jr., President, Floridians for Better Transportation, Tampa; and Mr. Dennis Emerson, Executive Committee Member of the Florida Highway Users Federation, Gainesville, Florida.

STATEMENT OF HARRY D. BERTOSSA, ASSOCIATE, HOWARD, NEEDLES, TAMMEN, AND BERGENDOFF CONSULTING ENGINEERS, AND CHAIRMAN, TRANSPORTATION COMMITTEE, FLORIDA INSTITUTE OF CONSULTING ENGINEERS

Mr. BERTOSSA. Thank you, Senator Graham. It's really a pleasure to be here.

Congressman Shaw, I represent the Florida Institute of Consulting Engineers, the private sector, Senator, as you indicated. We're a part of the transportation team and we consider ourselves a contributing part of that team. I think a classic example of the team in action is I-595 here in Fort Lauderdale.

Here, the private consultant, the Federal Highway Administration, the Department of Transportation, have teamed together to build what really will be a monument and at the time, the first use of a construction manager for a project of this magnitude, Florida's largest public works project ever. So it shows that the team effort will in fact work.

I feel rather like Yogi Berra the day they had a day for him at Shea Stadium and he responded by saying, "I want to thank you folks for making this day necessary."

I would thank you for making this opportunity to appear necessary.

I will address the matter of growth in a State experiencing severe traffic congestion, unprecedented growth. Florida is a growth State. As a boy growing up on the West Coast, we used to expect the tourist influx in the wintertime and my momma used to rent a room to the tourists that arrived on cue. You could set your calendar by the then-tourist activity in the State. Today, we have year-round tourist activity and it's increasing at an astounding rate.

In central Florida, we probably have the major tourist attractors in Disney and Sea World and we have continuous congestion. Think, if you would a moment, of the Interstate system (our "Defense Highway" system) shutting down completely at regular intervals due to overflowing at our recreational complexes. This is a rather sobering thought when you consider the defense highway system the major arterial in the State.

Florida had some 38 million tourists in the State in 1989. In ten years, we are projecting that that number will almost double. Today, we have some 13 million residents in the State. In that same time frame (10 years), we'll probably have 19 million residents and as another speaker indicated, we have an overabundance of resident vehicles. For every 10 home folks, we have some 12 motor vehicles and that certainly is one of the problems.

Florida is an urban State and will continue to grow. The infrastructure needs will grow accordingly. What are the transportation needs? We have several categories. One of our principal needs is maintaining the system that we have on the ground today. We have unusual maintenance considerations in Florida. We have a coastal climate. Many of our bridges and highways deteriorate much more rapidly than they would in other areas because of that coastal clime.

We have very stringent environmental laws and well we should, to protect, what is really the charm of Florida. We must promote consistency between State, regional and local transportation planning. In some cases, we have not done this effectively, and improvement is needed.

We must phase revenue enhancement over a reasonable period of time; but, significant infusion is required immediately. We lack adequate funding. We've been a donor State. We've been getting back as others before me have noted, some 81 cents on the dollar. We simply cannot do this. We must get a fair return from what we have invested.

Florida's strategic plan has addressed specific needs and we have reviewed this plan—we being the Florida Institute of Consulting Engineers for the Legislature and the Floridians for Better Transportation. Over the next 10 years, we have a $40 billion need. With the present sources of revenue, we can fund some $15 billion of that need, leaving $25 billion unfunded.

What do we need to do? We need to do several things. We endorse the Department's current recommendations for two basic formulas for highway funding. A SONS approach which is a System of Nationally Significant Highways and a FLEX System; two dockets, where there are now some 30 to 40. The SONS would be designated by the State and approved by the Federal Government. The FLEX System would be designated by appropriate State and local governments—two formulas where we now have an over-abundance. This streamlining is mandatory, we feel. We would also like to see 20 percent of the overall funding that comes to the State available to be spread between either program, depending upon the need.

We need a private approach. We need to encourage privatization. We need to support toll facilities. We need to see Federal money coming to support shortfalls in our toll system. Today we have four viable toll projects that if there was an infusion of funding, possibly 20 to 30 percent, those projects could be put on the ground.

We have problems. We have needs. We're willing and ready to listen. We've looked at the Skinner Plan, the Federal Plan. It looks like all the right problems are identified in that plan but again, we fail to see solutions. We do not find the funding scenarios. We will continue working with all agencies in coming up with those solutions.

I would close with another Yogi Berra-ism,"Nobody goes there anymore. It's too crowded."

Thank you.

Senator **Graham**. Thank you, Mr. Bertossa. I'm glad that we're having deja vu all over again.

Mr. Burleson.

STATEMENT OF ROBERT G. BURLESON, PRESIDENT, FLORIDA TRANSPORTATION BUILDERS ASSOCIATION

Mr. **Burleson**. Thank you, Senator Graham, Congressman Shaw. My name is Robert Burleson. I'm President of the Florida Transportation Builders Association. FTBA represents nearly 250 Florida highway and bridge contractors, material suppliers, equipment dealers, engineers, and others involved in the transportation industry.

I'm also here today on behalf of the American Road and Transportation Builders Association. ARTBA's 4,000 members nationwide hail from both the public and private sectors. ARTBA represents not only construction firms but also State and local transportation officials, manufacturers of equipment, consulting engineers, design firms, material and traffic safety device suppliers and educators in the field of transportation planning and civil engineering.

On behalf of our membership, thank you for inviting us to provide our views on the structure and funding of a Federal highway program for the future. As you are well aware, our Federal highway system, the backbone of the U.S. economy, is in serious trouble. According to the U.S. Department of Transportation's 1989 Report to Congress, more than 28 percent of the bridges on the Federal Aid System are either structurally deficient or functionally obsolete.

The same report shows that more than 40 percent of the pavement on the Federal Aid System is in fair or poor condition. DOT's 1989 report and the Federal Highway Administration's 1988 publication, "America's Challenge for Highway Transportation in the 21st Century" both state unequivocally that meeting existing capital needs on the Federal Aid System alone will require a $40 billion per year investment, a rate of spending substantially in excess of the current obligations of the Federal Aid Highway Program.

Meeting these needs is one of the greatest financial challenges facing the Nation. Of one thing we can be sure. Failure to maintain an adequate national highway system will have a profound negative effect on our economy, our ability to meet national defense requirements and the quality of life for every American.

This investment has caused much of our current problem. Total public capital expenditures for highways and bridges has dropped from 1.4 percent of GNP in the early 1960s to about .5 percent today. During this same period, traffic has increased on the system 5-fold. Inflation has also been a hidden factor. Between 1959 and 1988, the U.S. inflation rate as measured by the CPI rose just over 300 percent. The Federal highway user fees, however, have increased only 100 percent over this period.

Assuming a moderate future inflation rate of just 4 percent per year, the Federal gasoline user fee would have to increase to 26 cents by the year 2000 just to maintain its 1959 purchasing power. The solution to our highway problem is obviously we must begin investing in the future. Providing adequate resources is the key. We must spend the current cash balance in the highway account of the Highway Trust Fund but that alone will not be enough.

The Bird Amendment ensures that the Federal Highway Program never operates at a deficit by requiring a minimum cash balance in the trust fund. Spending the current balance down to that point will provide between $5 billion to $8 billion, an amount that will not significantly increase the current program.

We believe the Highway Program Reauthorization Bill should provide $40 billion per year for highway and bridge improvements beginning in 1992 and continuing for a minimum of five fiscal years. A Federal investment of this magnitude is totally consistent with the capital needs that have been identified by U.S. DOT. To authorize and carry out a program at this level, we recommend that Congress take the following concurrent actions.

Ensure that all user fee revenue contributed to the Highway Trust Fund plus interest earned on that money is spent in a timely manner. Increase the Federal highway user fees effective in fiscal year 1992 to raise additional $25 billion per year that is necessary to support a $40 billion per year Federal program. Remove the Federal Aid Highway Program from the unified Federal budget to ensure that future user revenues are not impounded. Forbid the imposition of artificial obligation ceilings on the expenditure of Federal highway funds. Repeal the current 6 cents per gallon Federal tax exemption on gasohol sales that cost an estimated $500 million per year loss to the Highway Trust Fund.

Tighten Federal highway motor fuels collection procedures and finally, ensure that States receive back at least 90 to 95 percent of the revenue that they contribute. Highway users recognize the importance of well-maintained highways and bridges. They also realize that continued expenditures must be made in order to maintain system performance at an acceptable level. The unwillingness of the Federal Government to raise and spend sufficient funds to maintain system performance has resulted in program gridlock.

Now is the time for bipartisan leadership in the transportation funding area. Before I close, I would like to say that we commend the President and Transportation Secretary for elevating national dialogue on transportation needs through the development and release nearly two weeks ago of the proposed National Transportation Policy. We have reviewed this document and believe it represents a good first step. It contains many good ideas but I would be less than candid if I did not say that we're concerned that the proposed policy does not adequately address program financing.

Senator, America is literally at a crossroad. We can continue to ignore our serious and growing highway and bridge problems or we can choose to make the investment, about $40 billion per year, that is necessary to rebuild and expand our national highway network to meet future demands. Good roads save lives, improve productivity, enhance competitiveness and reduce pollution-causing, energy-wasting traffic congestion.

In short, they're an investment in our future.

Thank you again for the opportunity to present our views.

Senator GRAHAM. Thank you very much, Mr. Burleson.

Mr. Crane.

STATEMENT OF DONALD R. CRANE, JR., PRESIDENT, FLORIDIANS FOR BETTER TRANSPORTATION

Mr. CRANE. Senator, Congressman Shaw, thank you for this opportunity. I'd like to just preface my remarks by saying that Floridians for Better Transportation is an organization formed by the Florida Chamber of Commerce and the Florida Council of One Hundred to specifically attack our transportation problem. My remarks perhaps are more appropriate for Florida because it's a growth State.

No other infrastructure element of a comprehensive land plan is more important than an integrated transportation system. This fact is especially important in a State like Florida that continues to experience a growth rate of approximately 800 new residents each day. The transportation network of roads, public transportation corridors, ports and airports are the backbone of the land plan.

Ideally, all other infrastructure elements are strategically placed after the transportation plan is in place. Wastewater pipelines and treatment plants, solid waste landfills or burning plants, schools, prisons and other infrastructure are appropriately placed after the transportation system corridors have been designed.

In reality, though, sound land planning is less than 20 years old in Florida. It was Senator Bob Graham as the first legislator in Florida to introduce land and water management legislation. For years, Florida grew as developers developed and people bought. Since 1970, Florida's population has grown by approximately 7 million. Much to the credit of a Florida legislature, tough new environmental laws have been enacted. Growth management laws have been given us the unprecedented ability to protect our unique and fragile quality of life. These laws rightfully require that infrastructure be in place before added growth demands are placed on an area.

In Florida, catch-up road building has dictated transportation improvements and expenses. Long after the original Interstate system was started, Florida's needs were finally recognized. In the early 1970s, I-10 was started, as was I-75 from the Sunshine Skyway Bridge to Naples and then to Miami. Several interstate projects were not completed until the late 1980s. Had these been designated in the original Interstate system, Florida's growth patterns might have been dramatically improved.

The challenge for Florida is enormous. The population is expected to reach 19 million by the year 2010. As one of the greatest vacation destinations in the world, the annual number of tourists visiting Florida will hit 60 million in the next 20 years. Florida residents cannot and should not be expected to provide all of the transportation needs of these tourists. On the contrary, Florida has long been a donor State. Since 1956, Florida has received only 81 percent of the gas tax revenues we have sent to Washington according to the Florida DOT. A growth State that welcomed 38 million tourists last year deserves better than that. Every person in the country that enjoys the beauty of Florida is responsible for preserving Florida.

You can help Florida and your transportation budget by removing the prohibition against using Federal Highway Trust Fund dollars in conjunction with toll receipts. Corridors that have been designated as toll roads by the Florida Department of Transportation desperately need up-front funding to make these projects feasible. The high cost of right-of-way has placed a financial burden on almost all projected projects. The Florida turnpike has been very successful and it has been anticipated that the funding from the current system can help support new toll road projects in Florida.

Startup funding is necessary. When completed, new toll road projects will take the pressure off the Interstate system and the Federal primary system, thus reducing the funding necessary to maintain and improve those facilities. The cost benefit ratio is tremendous. If Florida has an immediate funding source for expanding its highway system, we can immediately purchase the right of way for the new system. Just as important, we can do a much better job of developing a meaningful, comprehensive land plan.

The favorable impact on the economy of emerging counties is tremendous. The positive effects on the environment are documented by 1,000 Friends of Florida, a leading and well-respected environmental group. Floridians for Better Transportation speaks for a strong coalition of business organizations when we urge you to pass legislation permitting the use of Federal highway funds up to 35 percent of the cost of toll road projects.

Thank you.

Senator GRAHAM. Thank you very much, Mr. Crane.

Mr. Emerson.

STATEMENT OF DENNIS EMERSON, EXECUTIVE COMMITTEE MEMBER, FLORIDA HIGHWAY USERS FEDERATION

Mr. EMERSON. Senator Graham, Congressman Shaw, my name is Dennis Emerson. I'm director of field services for Florida Farm Bureau but I'm speaking today on behalf of the Florida Highway Users Executive Committee of which I'm a member.

The Highway Users Federation is a league of 60 State-wide business and trade associations which have a common goal, an objective of improved highway transportation systems for our State and Nation.

Two years ago, our national affiliate, the Highway Users Federation for Safety and Mobility, helped conduct hearings across America to determine the private sector's needs as it relates to transportation. This effort was called Transportation 2020. The results were compiled and the Nine Point Program emerged. The Administration's transportation policy as recently published mirrors many of the same conclusions as our own. One of the few points we wish to project is that the Federal Highway Trust Fund should be maintained as now constituted and no diversions of these highway funds to non-highway-related purposes should be permitted.

We oppose increasing highway fuel taxes for deficit reduction purposes. We also favor removing the Highway Trust Fund from the unified Federal budget. With reference to the Interstate system, we strongly feel that funding for this 42,800 mile backbone of America be protected. The Interstate's physical condition must be serviceable through a continuous program of the 4R Act. That's resurfacing, rehabilitation, repair and reconstruction. Federal and State authorities would also agree on gradual additions to the Interstate Highway System where appropriate.

In addition to the Interstates, another 3 to 4 percent of the Nation's highways serve 30 percent of the travel. The Nation needs a program to upgrade these priority routes within and between economic development areas with safer designs, controlled accesses, added lanes where needed and new higher-quality bypasses and arterials in growth areas. Florida is a high-growth State and growth of arterial systems will become much more important than ever before.

Access to major highways is critical to millions of Americans living on farms and small cities. Although annual traffic volumes are small, total miles on rural roads are large. These roads are critical to maintaining the flow of products from farms and ranches to consumers everywhere. Local and State governments cannot handle the rural mobility job alone. They deserve help to keep the rural routes and bridges in good and safe condition.

Florida is one of the largest agricultural producing States in the Nation and approximately 90 percent of Florida's fruits and vegetables are transported on our highway system. Any disruption of the transportation system is most certainly reflected in the prices our agricultural producers receive for their commodities.

Florida agricultural producers are among the most efficient in the world, but all that production is of little value if we're unable to move it to market in a timely, economical and an efficient manner. We strongly support reauthorization of adequate funding to give the secondary road and bridge system a priority. Bridges are vital to all road systems. A bridge out of service or unsafe for normal service creates a major disruption.

In Florida, we're told that one of every four bridges needs repairs and unless a Federal program comes to our aid, this condition will only get worse. Many of our bridges were constructed prior to 1940 and cannot handle the increased weight and width of today's trucks, buses, machinery et cetera. So we support efforts to ensure proper inspection, maintenance, and repair of all bridges, regardless of governmental responsibility. The longer the maintenance is deferred, the higher the eventual cost of restoration will be.

One area in which our Federation feels strongly is the need to place additional attention and focus on research. Dollars spent on research can return big dividends and better highway operations. Additional funding should be placed at our country's universities and research institutes to concentrate on electronic-based technology to make our highways safer and more efficient, for example, electronic aids that will warn the motorists of delays, hazards, give locations of these hazards and provide destination headings despite weather and traffic conditions.

The Florida Senate Transportation Committee recently heard a transportation planner testify that this type of technology would increase the capacity of Florida highways by tenfold. Mr. Chairman, Senator, America needs a strong highway plan for the future. We're a highly mobile society. We depend upon our transportation system for food, work, recreation and in almost everything that we do.

We're falling behind on the 4Rs—restoration, rebuilding, resurfacing and reconstruction. We need to pump more Federal and private monies into research and development. We need to ensure that our secondary rural roads are properly open and maintained, that our bridges be properly inspected and maintained and repaired and brought up to a safety level that meets today's standards.

There are many other areas of concern such as environmental quality, clean air standards, scenic and recreational roads, et cetera, but time will not allow comment. We strongly feel that a large financial infusion and investment into a workable transportation plan is essential. We also feel that it can be accomplished without raising Federal highway user taxes for several years. We recommend spending down the tremendous surplus being held in the Federal Highway Trust Fund but I hasten to add that this funding should be strictly highway-related.

We feel Congress must release this money and provide it to State and local officials for needed roadwork. Mr. Chairman, we plead with Congress to remove the trust fund from the unified budget and allow a spend out and I commend you, Mr. Chairman, for conducting these hearings and I think it's through the concerned efforts from leaders such as yourself and your distinguished committee members that the future of our transportation system will flourish and again, I thank you for this opportunity.

Senator **GRAHAM**. Thank you very much, Mr. Emerson.

I'd like to ask a question of each of you and that is, whenever I look at a new piece of legislation or an initiative, I like to start with the question of what is the problem, what is it about the status quo that makes us unsatisfied and therefore consider the alteration, the change, that the new proposal makes?

I'd like therefore to ask each of you if you could list as succinctly as possible what you think are the two or three principal problems with America's current transportation system to which you believe the Congress as it reenacts the Highway Act in 1991 should direct its attention?

Mr. Bertossa.

Mr. **BERTOSSA**. Senator Graham, I think one of the most pressing problems is the condition of the system today. The Interstate system—the work commenced back in the 1950s and the system is deteriorating. Also, on a number of the projects, the day we completed the work, the project was obsolete.

Our traffic in this country has increased to the point where we simply are not prepared for it. The verbiage in the proposals that

I've reviewed says the right things, but the logistics were not spelled out at this point. Hopefully they will come through review and continuing work. We have got to come up with workable formulas and funding scenarios.

Another critical problem in my opinion has been the cumbersome nature of certain of the formulas that we have today in designating and in allocating the Federal funding. I think we have to simplify that and I think we can do that through the program that is being recommended in Florida, a two-part scenario, not 30 or 40 or 50 or 60 but two basic categories, Nationally Significant Highways and then a Flex system that is tailored to the individual State. I think those are two very critical issues, Senator.

Senator **Graham**. So maintenance of the current system, meeting capacity needs and removal of some of the program cumbersomeness that has inhibited achieving those two objectives.

Mr. **Bertossa**. Yes, sir.

Senator **Graham**. Mr. Burleson.

Mr. **Burleson**. I agree with everything that Mr. Bertossa said. I think that in addition to that, we need more money. I think that's the bottom line. We've got needs that exceed $40 billion a year and we're currently spending about 15. We just need to spend more dollars. We've got examples—good examples of what we can do and in Florida, right here in Broward County with what we're doing on 95 and what we've done with 595.

Unfortunately, we've got many other areas of this State—I-4—pretty much the whole stretch of I-4 all the way from Daytona into Tampa has tremendous problems—downtown Orlando, downtown Tampa, I-75 travelling from the Georgia line all the way down through the State on any holiday weekend is virtually a parking lot.

Those are projects. Federal highways need big infusions of Federal dollars.

Senator **Graham**. Thank you.

Mr. Crane.

Mr. **Crane**. Senator, I'm just going to step back a little bit from saying not bad and say that I think the problem stems from a lack of real understanding of what transportation's role is in the scheme of things and I base this on about at least 20 years of trying to figure out just what the answer to your question is.

I'll be critical and I'll be critical of myself but I think the Florida legislature and county commissioners as a whole have looked at transportation as a patch-up. We've got to build a four-lane road to a six-lane, six bridges and so forth and not addressed transportation for what it really means to the economy not only of the State of Florida but to the country. Transportation is our backbone and that's why I lead off with that original statement.

So I think meetings such as this that address the problem, let us air what we think about transportation and its role in Florida are tremendously important. We have got to get the whole transportation system involved in the land planning process.

Senator **Graham**. Thank you, Mr. Crane.

Mr. Emerson.

Mr. **Emerson**. I don't think there's a transportation problem that can't be solved with money. I think that's part of the problem we've got is the fact that the Highway Trust Fund is a dedicated fund. We're not getting, you know, the dollar for dollar that's put in it. If it could be returned, I think we'd go a long way to restoring and resurfacing, maintaining the maintenance of the roads and bridges that we have in the State and if we can get those out of the way first, then we can begin working on our arterial system.

Senator GRAHAM. Thank you, Mr. Emerson.

Congressman Shaw.

Mr. SHAW. Mr. Emerson, what is the Florida Highway Users Federation?

Mr. EMERSON. It's a federation of 60 businesses throughout the State such as Greyhound Truck Lines, the Florida Farm Bureau, Florida Petroleum Council.

Mr. SHAW. So you truly are users?

Mr. EMERSON. Yes, sir.

Mr. SHAW. Let me ask you a question. What would be your position and you can speak for your organizations, I would certainly like to hear that, of an increased gasoline tax if the Highway Trust Fund were to be taken off budget and if we were to shore up the fair allocation of funds, say using Mr. Burleson's suggestion, perhaps 90 to 95 percent of the funds came back to Florida?

Mr. EMERSON. Currently we don't have a policy on that but I think individually, I think we would support that as long as we knew there would be no diversions of funds for non-highway purposes.

Mr. SHAW. Mr. Crane, you were talking about use of increased toll roads. You're not suggesting that we put it on the Interstate system in Florida; are you?

Mr. EMERSON. No, sir. Florida and the Department of Transportation and working with various transportation authorities have additional opportunities for limited-access roads. We would suggest that those limited access facilities—toll roads—be tied into the Interstate system but not putting it on the current system. No, sir.

Mr. SHAW. I see. The City of Orlando has a real problem with the Interstate coming right through the center of the city.

I made a proposal to them some years back when I was on the Public Works and Transportation Committee that perhaps what we should look for is to allow the county to put a toll facility on that Interstate going through the city with the provision that the funds be used to construct a beltway around Orlando that would then become the Interstate system without tolls.

In other words, take the money from the federally-used highway within the city and convert it for the beltway.

Business leaders and government in that area got to thinking about it and they decided that wouldn't be a very good idea.

What would you think of such a solution?

Mr. CRANE. My immediate impression, I think, is that if we could use Federal Highway Funds in the existing toll road systems, up front, new toll road projects, I would rather go that way. I think that the clamor that would come from trying to put tolls on existing——

Mr. SHAW. I think what I'm talking about is the idea of selling bonds to build beltways and that the toll roads would not go up until the beltways were open and the transportation then could move around the metropolitan area and then let the counties do as they please with the old Interstate which would then become an alternate route carrying business, traffic downtown into those areas.

Just an idea of a way that we might be able to think about raising additional funds so that the Interstate system can wrap around away from the heavily populated metropolitan areas and result in less congestion.

Mr. CRANE. I appreciate that.

Senator GRAHAM. Let me just ask a couple of questions relative to user fees.

Don, do you think there are any restraints or factors that we should be cognizant of in the use of toll roads? Is there a point at which time toll road fees become such that they cause diversion of traffic? For a long time in Florida, we wouldn't complete I-95 down the east coast because we were concerned about what that would do to the Florida turnpike's system. Here in Broward County, there's a new toll facility, the Saw Grass, which has had somewhat of a struggling, early period in terms of meeting its financial obligations.

What do you think are some of the cautionary points that ought to be used in terms of expanded reliance on toll roads?

Mr. CRANE. I don't see as I understand the existing proposed systems, any real conflict. I'll give you some good examples. The Tampa Expressway Authority goes towards Brandon now and they go through Brandon but we have no good east-west routes all the way—in Florida all the way down to the Alligator Alley. In the northwest section, coming out of Pinnelas County and Hillsboro County, we have a proposed toll road that goes all the way into Citrus County—tremendous relief for U.S. 19 and 41. That helps us.

I'm not as clear on the Orlando routes but I would think as you were talking there about the relief of I-4 and the other roads is important. So I don't really see any downside. In the long run, I suspect, we've got to get away from building more roads and get into mass transit but I think our problem currently and oh, for maybe the next 20 years is going to be to satisfy a neglected problem. We just neglected it too long. To get to $40 billion in the hole in Florida—or really $25 billion in the hole in Florida over the next 10 years—we've just neglected the transportation system.

Senator GRAHAM. Let me ask another question then, if anyone would like to respond.

On the second panel, we had Mr. David Rush representing the High-Speed Rail Commission and he indicated that that was going to be financed without any public funds. One of the things that will make that possible is a special provision that allows the High-Speed Rail to essentially capture the development values that it's going to create, that is, around station sites where the High-Speed Rail Commission will be able to acquire land, which land will then be either re-sold or leased or in other ways create revenue which will go toward supporting the High-Speed Rail operation.

It's been suggested that that type of an approach could be adapted to highway construction. Example—at the time highway corridors are being acquired, acquire the acreage around the interchanges which are going to be appreciating in value because of the highway construction, then incorporate that appreciated development value into the financing of the highway.

What do you think are the opportunities for capturing development values as a means of assisting in financing highway transportation?

Mr. **Crane**. I'll take a shot at it. I think that the only problem is going to be the condemnation and then being able to turn it around to another person, another private sector for the same purpose, but in reality, I think it has tremendous potential because it serves to help do a viable land plan. Counties that now are serviced only by primary and secondary roads and don't have limited access facilities, can greatly improve their tax base by simply improving their transportation system. So if we can overcome the negative of the condemnation problem, I would tremendously support that.

Senator **Graham**. Any other comments?

Mr. **Bertossa**. Senator Graham, I would comment on that. I think it has great potential. I think certainly the condemnation situation would be a problem but if all of the revenues or all of the monies received were dedicated to transportation, I think you could overcome some of that problem, that they would be—in fact, it would be mandatory that that money go into again the transportation system.

Senator **Graham**. Any other comments on that question?

[No response.]

Senator **Graham**. If not, we appreciate all of your statements today. They will be an important addition to our record. Thank you.

Panel No. 4, Mr. John Hill, Associate Director of the General Accounting Office; Dr. John DeGrove, Director of Florida Atlanta University/Florida International University's Joint Center for Environmental and Urban Problems; and Mr. James Webb, Florida Regional Director of The Wilderness Society.

Thank you gentlemen for your participation.

Mr. Hill.

STATEMENT OF JOHN W. HILL, JR., ASSOCIATE DIRECTOR, TRANSPORTATION ISSUES, RESOURCES, COMMUNITY, AND ECONOMIC DEVELOPMENT DIVISION, GENERAL ACCOUNTING OFFICE

Mr. **Hill**. Senator Graham and Congressman Shaw, my name is John Hill. I'm the Associate Director for Transportation Issues for the General Accounting Office. I appreciate the opportunity to testify today on issues which this subcommittee will deliberate as it begins the legislative process to reauthorize the Federal-Aid Highway Program. My testimony today will focus on our work that parallels several issues to be considered by the subcommittee. In summary, our work to date has shown that increased funding will be needed for the Interstate 4-R program.

Projected Highway Trust Fund revenues are expected to exceed authorized commitment levels. Tolls are a viable alternative revenue source that can provide States with additional funds to meet their highway needs. The Combined Road Plan demonstration block grant is allowing States increased flexibility to target spending to their priority needs. State highway laws vary in the degree to which they parallel Federal statutes. In this regard, there are options available if Congress decides to relax State compliance with Federal laws on environmental protection, prevailing wage, minority contracting and highway design.

I would like to discuss some of these issues in more detail starting with our work on trust fund commitments. In our May, 1989 report to the Senate Appropriations Committee, we pointed out that the highway account balance, which was about $10.5 billion at the end of fiscal year 1989, was not actually a surplus. These funds will be needed to pay outstanding commitments. However, the account can support a higher level of program activity because future total revenues over the funds' authorized life are expected to exceed the level of future authorized commitments.

At the time of our review, the anticipated amount of uncommitted funds at the end of the authorization period was $7.4 billion. DOT believes that a safety cushion of at least $1 billion is necessary. Unfortunately, the severity of the general fund deficit and the use of various trust funds to mask the deficit had made the concept underlying trust funds quite different in reality. In the current budget environment, the reality is that any draw down of the Highway Trust Fund can only be achieved by increasing the deficit, or, at the expense of other Federal programs.

Although tolls are generally prohibited on roads built with Federal funds, the 1987 Highway Act authorized a toll pilot program. Under the nine-State pilot program, Federal funding is limited to 35 percent of project cost as compared to 75 to 90 percent under other highway programs. The work we are performing for this subcommittee shows that States have made limited progress on the pilot projects. Only three States have started construction on their projects. Five other participating States are in the planning stages and one State has decided not to proceed with its project unless it receives additional Federal money.

State highway officials we spoke with favor expanding the use of tolls on federal aid highways and view tolls as an additional revenue source. We believe that limiting the Federal funding share to 35 percent makes it incumbent upon States to carefully select projects for toll financing. If the selected project does not generate sufficient revenue, a State could contribute more to finance the toll project than it would under a conventional federal-aid Highway project. Only one project is anticipated to be fully financed with Federal and toll revenues.

Under the Adminstration's National Transportation Policy, the Federal Government would focus its transportation resources on highways of national significance. State and local governments would, in turn, assume a greater responsibility for addressing their transportation needs. The restructuring of Federal, State, and local roles could be accomplished in part by replacing the predominant categorical grants with broader and more flexible funding alternatives.

The five-State Combined Road Plan demonstration project is designed to give States more control over how they spend Federal funds received for the secondary and urban highway systems as well as certain bridge funds. Our ongoing review of this project, which was initiated at the request of this Subcommittee, offers some insight into how States under current funding levels might respond to assuming additional management responsibilities.

According to our preliminary results, States have benefitted from the flexibility of being able to pool categorical grant funds and reportedly have been better able to target the funds to meet State priorities. Additionally, State officials believe that the flexibility provided under the demonstration could be improved by adding additional categories of funds to the pool of block grant funds.

States also have reported time savings from performing their own final inspections and approving design exceptions. However, DOT has not determined how these State actions might affect highway safety. Furthermore, States would like to have certain legislative restrictions under the Federal Aid Highway Program waived for projects in the demonstration, such as the 15 percent minimum, 35 percent maximum for system funding.

Although not enacted, an early plan for the block grant demonstration program would have waived legislative requirements for States' compliance with certain Federal laws. State laws and administrative guidance in the five demonstration States vary in the degree to which they approximate Federal statutes. The presence of State laws or administrative guidance similar to Federal laws does not in itself predict how States would respond if Federal requirements were lifted. However, the fact that States have afforded largely comparable protections to State laborers, minority contractors, the environment, and highway safety, suggests that Federal and State governments attach similar values to these concerns. At the conclusion of our work, we expect to provide the Congress with options to consider if it decides to relax State compliance with such laws.

This concludes my testimony. I'll be glad to answer any questions at the appointed time.

Senator **GRAHAM**. Thank you, Mr. Hill.

Dr. DeGrove.

STATEMENT OF JOHN DeGROVE, DIRECTOR, FLORIDA ATLANTIC UNIVERSITY/FLORIDA INTERNATIONAL UNIVERSITY, JOINT CENTER FOR ENVIRONMENTAL AND URBAN PROBLEMS

Mr. **DEGROVE**. Mr. Chairman, Congressman Shaw, it's nice to see both of you. Welcome back home. I'm going to talk a little bit about transportation in a slightly different context, but I hope it will seem relevant to you.

I have a detailed outline in my testimony. I even have one now that has my name on it. I hadn't decided whether to admit authorship when I gave you the other copies but now I've decided I can.

I want to talk about growth management, transportation, and the President's National Transportation Policy and talk just briefly about the problems setting in Florida and around the Nation. I go around the country preaching the gospel of growth management to anybody that will listen and that's involved six or eight States in the last 6 or 7 years, ranging from Washington State to Maine, Vermont, Rhode Island, New Jersey, Maryland, Virginia and of course, always in Florida and now even in California where some of the leadership in California is waking up to the fact that they have put themselves in the position of being the cow's tail rather than a leader which they might have been in the 1950s and 1960s in the capacity to manage their growth.

What I see and find is a massive under-investment in public facilities for at least the last two decades, probably more, in all of these fast-growing States that I've been looking at and even some not-so-fast-growing.

Now, transportation is the most prominent and easily quantifiable area of shortfall but for instance, another area of interest to this subcommittee, management, may involve a larger backlog of unmet needs. In Florida, the backlog and the shortfall for meeting new demands are massive. Someone mentioned a while ago a $40 million program that appeared briefly from the offices of DOT in the Martinez Administration, which showed that we had about $15 billion to meet a $40 billion need over a 5- to 10-year period.

Various numbers float around. They're always in the multi-billion dollars for backlog. That is catch-up and with more multi-billion dollars needed to keep up. Florida's experience is being repeated in other States. As they try to figure out how to manage their growth better, they tend also to take a look at their infrastructure needs and how far behind they are—what will it take to catch up, and how they can keep up. New Jersey has an estimated $8 to $10 billion backlog, and Washington State has just made a similar assessment. Oregon, a State that is doing very well in managing growth still has a $7 to $8 billion backlog in transportation needs, and with other billions to meet new development.

So the good news is that we are at least getting through our heads that we are way behind, we have a massive backlog and we're not keeping up. We need to catch up and keep up. The upcoming California 9 cents gas tax referendum is interesting, doubling the California gas tax from 9 to 18 cents. That would produce $18 to $19 billion. California has tied both hands behind their back in their efforts because they have to pass a Constitutional amendment to amend the Gann amendment so that they can spend the money even if they can pass the referendum. California is an illustration of the massive backlog of transportation needs in that still-rapidly-growing State. That's irresponsible behavior, Mr. Chairman.

We can't expect to have a healthy economy and a healthy environment if we don't stop this business of the deficit financing of growth. So the Nation is faced with a massive challenge to catch up and keep up in transportation infrastructure. Major new sources of revenue must be generated at every level of government and from the private sector, and the link between transportation and land use must be better defined and enforced to increase the efficiency of our transportation investments.

I'll focus my remarks just a few minutes on Florida's growth management system as it relates to the transportation-land use link, and relate that to the President's report. Florida has a system that says every city and county must plan. Those plans must be consistent with regional plans and the goals and policies of the State plan. The Chairman knows all about that. It was put through when he was Governor.

I want to tell you, Governor-Senator, that there is good news and bad news with regard to the growth management system that we put in place in 1985 and 1986. The good news is that it is being implemented. It is being taken seriously. It is moving to the final stages of the adoption at the local level of plans and land development regulations.

The bad news is that it is not being funded adequately and is in danger of failing because of that fact—and nowhere is that more evident than in transportation. Concurrency, that infamous or famous, if you will, word—the chief guiding principle of Florida's growth management system framed by the requirement that all plans have to be consistent with each other. The concept of concurrency is also closely linked it to the concept of mandated compact urban development in a way that I will explain in a moment.

Concurrency simply means that you pay as you grow. You must put the infrastructure in place concurrent with the impacts of any new development. It is by law under Florida's growth program that this must happen. That is to say, this mandates for the first time in any State that I know of, that there must be a compatibility between future land use elements and transportation systems. The one must support the other.

If transportation and land use plans are not in harmony, they will not be respected. For instance, in transportation, you've got to decide what your level of service is going to be. Once you've done that, it has to be reflected to your capital facilities program—no longer a wish list—funded from definite funding sources. If you cannot meet the set level of service, you may not permit new development.

Forty percent of the roads in Broward County at this moment where concurrency has triggered are in what we call the yellow zones. New development may not be permitted along these roads until transportation improvements are made.

I don't have time to tell you in detail about how this is going, but I can say that pay as you grow is simply common sense. It's the application of responsibility to growth. It has very strong support from every quarter, yet it is in great danger of failing. Why? Because it cannot work without major new revenue to catch up and keep up and those revenues have not been forthcoming.

The State share has not been forthcoming. We promised in 1985 that we would put the law in place and if we didn't fund it, no deal. Well, we are still hoping to fund it, so, it's still a deal. Gas and sales tax increases have been made, combined with the widespread use of transportation impact fees in Florida, probably more impact fees than any other State, but it's been downhill ever since. The "read my lips" disease, from my perspective, has spread to Florida. The need is well-documented. Nobody argues that. Every major interest group and both houses of the Florida legislature, still support major new revenues. The Governor alone stands in opposition by refusing to support any new tax increases for transportation.

To allow the concurrency requirement to be met without widespread moratoria, we need at least another 10 cents per gallon at the State level and 5 to 10 cents optional gasoline tax for local governments, in addition to the 6 cents they've got now. A penny gives you about $68 million annually in Florida.

Within this context, what about the President's transportation policy? I'll make it brief, Mr. Chairman. Well, what it says to me and to Florida citizens is "lots of luck, folks, but you're on your own." Florida does need to take major new efforts at the State and local level for funding, but also requires new revenues from the Federal Government, not a steadily-declining Federal effort in real dollars. One source estimates a 20 percent decline from 1980 to 1991 and another 10 percent scheduled in by the Bush Administration proposals from 1990 to 1995.

In conclusion, I want to bring it down to where you are holding your hearing today; the situation in Broward County. I worked very hard along with a lot of other people who worked harder to pass a 1 cent optional sales tax. It would have given us a $3.2 billion infrastructure improvement program over the next 15 years, and $400 million of that was for transportation.

A good part of that would have made up backlogs in the eastern part of the county that would have allowed compact urban development and urban infill east of the turnpike, on the eastern side of the county. This would have supported the concept of compact urban development being pushed by the Department of Community Affairs to stop the mindless sprawl all across the country side that is so expensive and does produce dollar volumes that no amount of new taxes for transportation infrastructure would be enough.

Well, we lost that election three to one, something like that. Why? There were a lot of different reasons, but there was a basic feeling at the local level by citizens that they weren't being treated fairly by the State. The State won't step up to the table and do its fair share and I feel the same way about the Federal Government. There is no excuse for holding federal monies in the transportation trust fund to make the federal deficit look not as bad as it is.

We need new taxes, new gasoline taxes at the Federal level. I would support taking the trust fund off the budget and dedicate these funds for public transportation and roads—with a lot of it earmarked for public transportation. I certainly would support an increase of 10 cents. We need at least 20 cents in Florida. We probably need more than that at the Federal level and to be responsible in the way we grow in this Nation, we ought to do it.

Thank you.

Senator **GRAHAM**. Thank you, Dr. DeGrove.

Mr. Webb.

STATEMENT OF JAMES D. WEBB, FLORIDA REGIONAL DIRECTOR, THE WILDERNESS SOCIETY

Mr. **WEBB**. Senator and Mr. Congressman, I think that the land use planning considerations that Dr. DeGrove raised are of vital environmental concern in the development of a rational transportation policy, nationally.

We're doing this discussion of a national transportation policy without the benefit of policies related to the most significant infrastructure of transportation, and that is energy and the environmental consequences of such a system. I think the most important environmental objective of a transportation policy should be to reduce the Nation's dependence on petroleum; that may be its most important economic and security objective as well.

The long-run costs of our dependence on oil are presently being expressed in the degradation of the environment and other factors of public capital. Those costs must be identified and controlled or effectively funded. The policy statement recognizes only the most obvious of them—oil spills and wetlands conversions, and it proposes ambiguous responses to those.

Policies that fail to avoid or internalize those costs of oil production and distribution in fact undermine the position of fuel efficient transport, like rails. They assume that our economic and social order can better afford to weather increasing volatility in oil price and supply than to provide against it. They artificially value current depletion over that of domestic supplies in place and accept unmanageable assaults on the environment. I think we should accept none of those.

It's not the studied position of the Society but I believe some direct and effective ways to ease our concerns through transportation policy are to advance restoration and development of energy-efficient modes of transport like rails and urban mass transit, to increase operating efficiency systematically and intermodally and to develop safe non- polluting fuels and applications.

Energy conservation is discussed in the whole policy only as an environmental issue and as a matter on which the Departments of Energy and Transportation are together "working." As to accomplishments, they point out that DOT UMTA is supporting purchases of buses that consume alternative fuels and "again will support continued initiatives of that kind." The kind meant, I suppose, is the insignificant.

I don't believe effective energy conservation in transportation can be advanced without an investment of Federal resources and intentions. The key issues of conservation in the policy are stated as afterthoughts; we are to make choices unguided by conservation motives and fit conservation into the spaces left between.

That will not properly advance our conservation aims nor meet our long-term transportation needs. There is more to conserve in our national life than energy, and our actions in transportation will affect conservation of our lands, water, and public capital. We need a conscious, dedicated source for maintenance in the system, whether that is defined as the direct maintenance of facilities now substandard, or the substitution of effective modes to relieve that.

Getting the most out of what we've got requires the accurate relation of transportation plans to other elements of public investment. Our highway programs in particular remain a primary force behind urban sprawl and our policies should have a conscious concentrated motive to reverse it.

My experience tells me that we'll not get a real national transportation system from a congeries of local determinations. Real integration must be served by national agreement on purposes, functions and control, and that agreement will be harder to obtain if Federal planning and financial responsibilities are limited.

To raise some directly environmental concerns, will increased reliance on State, local and user funding reduce the applicability of

Federal planning standards such as the National Environmental Policy Act in Section 4 of the Transportation Act?

Environmental quality is not less effected because different funding sources are employed. Such standards are there to assure us in our national life and must effectively extend to each element of a national transportation system, whoever builds and runs it. Standards of design, management and impact must be forwarded by more than jaw-boning.

I'm one of those who finds the policy statement to be long on exhortation and short on authority, to be heavy with mottos and light in commitment. A functional, flexible, durable and environmentally responsive transportation system is an accepted national responsibility. Meeting that responsibility will indeed require the strengths of all governmental and economic sectors, strengths above all of leadership.

The proposed Federal role is much less extensive than the clear responsibilities of the United States, and should be made commensurate. The National Transportation Policy statement reveals problems and states policies to which its action elements do not respond. Its serious tone is embedded in a text of abdication. Liberating the best energies of all sectors is an active undertaking. A transportation system adequate to America's dynamic future needs more forceful Federal policies and practice than the Administration now asserts.

Thank you.

Senator GRAHAM. Thank you, Mr. Webb.

I'd like to ask each of you the question that I asked of the previous panel and that is, if we were at the beginning of the process to lead to a National Transportation Policy and were assessing what dissatisfied us as to the status quo and therefore, where our principal attention should be directed, what would you have had on your list of the two or three major inadequacies, problems, either substantively or procedurally with the current transportation system that would in turn form the basis of your priorities for the future.

Mr. Hill.

Mr. HILL. I would like to elaborate on some of the problems and potential procedural remedies I spoke to in my testimony. As we look to the next Highway Trust Fund reauthorization period it is apparent that increased attention must be focused on the preservation of our nation's highways and bridges. DOT estimates that over the next 15 years up to $29 billion a year may be needed to maintain highways at 1985 conditions and to meet backlogged and accruing bridge needs. Interstate preservation funding requirements alone are expected to run as high as $6 billion annually, as compared to the approximate $2.8 billion annual Federal investment today. Investment in and preservation of surface transportation systems will be essential to maintain the nation's economic growth and productivity. In light of DOT's estimate of a need for a significant increase over Interstate spending, program modifications need to be considered that more effectively use the Federal dollar.

As the Congress and Administration examine transportation spending priorities for the next five years, they must also look for new funding sources and ways to ensure that the dollars are spent on areas of greatest need. While the authorized level of commitments from the Highway Trust Fund could be increased, in the current budget environment, the reality is that any draw down of the trust fund can be accomplished only by increasing the deficit or at the expense of other federal programs. However, as discussed in my testimony, our Office is currently evaluating two strategies that could help the states address highway and bridge needs more effectively in the future. First, the Combined Road Plan Demonstration Program appears to be allowing states to better target their highway spending to areas of most need. Secondly, the Toll Facilities Pilot Program is showing that tolls are a viable funding mechanism that, with appropriate project selection, can provide states additional funds to help them build and maintain federal-aid highway projects.

Also, in looking to the future, we believe there must be a greater recognition that coordination and cooperation among the different transportation modes is needed to ensure prudent investment of transportation dollars. Multimodal planning, coordination, and management offer significant potential for increasing the effectiveness and productivity of our Nation's transportation system. Current Federal funding mechanisms and organizational structures in place, however, tend to reinforce the more traditional single-mode focus. In the not to distant future, needs assessments and resource commitments may have to traverse organization boundaries and modal lines if the Nation's transportation system is to remain effective.

Senator GRAHAM. Doctor DeGrove.

Mr. DEGROVE. If I were starting over and drafting that policy, I'd put the major focus on the relationship between transportation and the other key elements of a viable and responsible growth management system. I would take transportation planning out of its historic isolation, from for instance, land use.

You look at a typical plan across the country. At whatever level, there's very little relationship to start with between future land use and traffic circulation and transportation systems. They're done in isolation of each other.

We've mandated that stop in Florida. I think a Federal initiative should take a look at how through a set of incentives and disincentives, Federal transportation dollars could encourage States that are doing so and maybe inspire States that are not doing so to craft growth management systems that link transportation and land use, limit urban sprawl, cut down on the costs of infrastructure, and protect the environment by not needlessly destroying wetlands and water recharge areas and important farmlands. That's where I would put my focus.

Sure we need more money. I mean, maybe we can't get the DeGrove dollar a gallon that I proposed, though I wish we could. I think it would have a lot of happy impacts, but I'll settle for 20 cents a gallon here in the State and you folks at the Federal level, you should do at least as much.

I'd appreciate it if you hold off until we get our 20 cents in before you do it, though, but really, I think to bring transportation planning and plan implementation into a responsible system of growth management, Federal programs ought to be pushing in that direction, not the other way, and historically it's been more the other way.

That would be my focus.

Senator **GRAHAM**. Mr. Webb.

Mr. **WEBB**. I think that Dr. DeGrove is quite correct because what he observes goes to the quality of the national investment, how many ten miles and passenger miles you will in fact swiftly and comfortably operate on into the future. I think now, and we're looking at—when we're looking at opening the Arctic Wildlife Refuge or the Florida Keys or the Everglades to oil development, we've obviously gone too far along the particular path that we've chosen in this quarter of a century.

It seems to me that a transportation policy that in fact observed the management character of growth, not only in urban communities but in the Nation at large, that in fact integrated our economic needs with our transportation needs in a true sense and that is not just responsive to the concrete coalition or to the short-term interests of particular economic sectors, would look a lot different than this one and would have a proper emphasis on those modalities of transport that get us more miles per gallon and get us more miles per dollar.

Senator **GRAHAM**. Congressman Shaw.

Mr. **SHAW**. John, it's like seeing an old friend come in here. I can remember when a lot of people here thought you were a radical.

Mr. **DEGROVE**. That's right. I've become very conservative.

Mr. **SHAW**. I was starting to say, one of these days, you'll come up behind us and start talking about the $12 dollar a gallon. I remember when your name first began to surface and you were saying that any growth is good growth, I think our community certainly has matured beyond that.

We all know that the construction and management of highways helps support growth, no question about that. How would you anticipate we would ever get ahead of the problem or start to catch up with the problem here in Broward County or anywhere in the State of Florida, how could we sensibly control growth so that we're not getting ahead of some of the other problems which we haven't come close to solving and we don't really know where the answers are—so far as clean water, waste management—these types of problems which are becoming more more a problem for county and city officials.

Mr. **DEGROVE**. I think that's a very good question and we have crafted a growth management system in Florida that tries to answer those questions responsibly. We do have to have more revenues but also it won't help to pave over the State of Florida as some of my environmental friends sometimes accuse me of in cranking up this concurrency requirement. If you're going to grow, you have to put the infrastructure in place.

I think that concurrency as a concept has to go hand in hand with anti-urban sprawl, compact urban development strategies, and I commend Tom Pellham, Secretary of the Department of Community Affairs, for putting that kind of focus on the growth management act. We had those policies in there. He didn't let them lie dormant. So he's saying look, we're not going to allow the concurrency requirement to cause us to say, oh well, the roads are overcrowded in the urban areas, so we'll go out in the countryside because they're not overcrowded out there yet, thus inducing more sprawl while we're moving out to find uncrowded roads. Broward County, Congressman, is a good illustration of our dilemma.

The failure of the one-cent optional sales tax was a bitter disappointment to me. I thought that we laid five years of that $400 million out of the $3.2 billion that would have been for transportation was almost entirely on overcrowded roads in the eastern portion of Broward County to really allow viable, planned, more high-intensity development and re-development and downtown development and to improve public transportation capacities.

We've had 24 counties that have approved the optional sales tax for infrastructure needs. We've had eight or 10 counties that have gone against it. Largely because of opposition from the governor, the opportunity to take the local referendum requirement off the 1 cent optional sales tax was lost. That would have left local elected county commissions take the heat, and I believe that most of them are ready to do it. Now we find ourselves in a very difficult position.

In the next year or two, as our whole growth management system comes on line, Congressman, we either will fund it adequately or it just won't work and if it doesn't work, we're all the loser—the environmental health of Florida, and the economic health of Florida.

Right now, we're a high-tech State in a low-tax world as Charlie Zwick put it, and that's a recipe for economic and environmental trouble. It depends on who we would want to compete with, you know—with some of the starting-over economies of eastern Europe, we might keep up, but if we aspire for more than that, we're going to have to be more responsible about revenues.

Mr. SHAW. Mr. Webb, I have a statement here which says, "A functional, flexible, durable, and environmentally responsible transportation system is an accepted national responsibility." Where is there such a system and how would you describe it?

Mr. WEBB. I meant a Constitutional responsibility, when I said that, but in fact, the Interstate Commerce Clause, our national defense and foreign obligations of the Nation are all integrated with it.

Mr. SHAW. Let me be more specific. Where is there a functional, flexible, durable, and environmentally responsible transportation system anywhere in the country? I'd like a role model.

Mr. WEBB. Or in the world. Well, those are directions. Those are standards that are someway or another expressed either in the Constitution or statutes of the United States. Those are desiderata more than they are descriptions.

Mr. SHAW. In other words, you're setting goals?

Mr. WEBB. Yes.

Mr. SHAW. Let me go on to the last sentence of your statement which says "A transportation system adequate to America's dynamic future needs more forceful Federal policies and practices than the Administration now asserts." That sounds more like a statement that would be made by a Chamber of Commerce or someone who's advocating more and more roads than would be by The Wilderness Society.

How do you see the Administration going in the wrong direction? It seems like any pullback would be more to the liking of The Wilderness Society than the dynamic one that sounds more like better business and better communication and better transportation for a stronger America.

Mr. WEBB. We often are before you on issues like building roads in wilderness areas where we can simply take a negative attitude about it and we'll keep on doing that because it conflicts fundamentally with what we think, like forest service roads in the wilderness, and when you're building the wrong road in the wrong place for the wrong purpose in an urban setting, when we're essentially chasing our tails as we often do by building a highway that promotes growth or requires a highway that promotes growth.

I think that an effective transportation policy, one that looks to the fundamental needs of that dynamic future America and responds to it in a way that is acceptable both environmentally and economically is not unlike what John has said about the proper role of investment in growth management.

You've got to do it. The question is doing it right. It seems to me that without some pretty precise determinations of national objectives in that regard, and without the willingness of the United States to back it up, by intention, action and cash, that we will not get that. We'll have much the situation nationally—we are in much the situation nationally as was just described for Fort Lauderdale. It's not a question of helping out the developers or any such thing. It's a question of having a balanced and effective system.

We had a previous panel here in which there were four people whose business interests were more or less dedicated to the status quo—to building highways and plenty of them. That isn't us. I think we need to build a responsive transportation system and by that, I mean one that will be useful on into the next century. We've paved enough America.

I don't think that the underlying requirement of the thing is to continue sprawl, whether urban, suburban, rural or in wilderness. What it does require is a system of local and national land use planning that integrates transportation as an effective organ in that kind of system. What we've got is a situation that could be responded to by the existing institutions of American federalism and is not—and we're looking at a transportation policy that goes away from that kind of integration.

It's almost as if you're going to say that the folks in Abilene can decide what's going to happen on I-10, you know, that it's Interstate 10.

Mr. SHAW. Are you saying that the Skinner report is pulling us away from federalism?

Mr. WEBB. Yes, we're straying from a balanced, effective federalism. There has been a recent contention that federalism is practiced by getting rid of responsibilities in the National Government. I think that transportation and other things where you have a visible, palpable, national character for the thing that's built, is evidence of needs to the contrary. That Skinner report in fact says that what federalism consists of is the United States setting criteria and the rest of the governments finding a way to hustle around to meet them.

The criteria in fact are limited and disintegrated and in many cases dysfunctional.

Senator GRAHAM. In response to Clay's last question, there's a certain historical irony here. We started this country with the Articles of Confederation. One of the reasons they were determined not to be effective was because of transportation. They did not place enough responsibility at a national level to develop a national highway system as it was at the end of the 18th century to meet the needs of a growing new Nation.

So we established a Constitution which gave the national government many of the responsibilities that you alluded to, Mr. Webb, particularly to develop interstate commerce. That in turn led to the creation of political parties which were based initially on two factors, one, how to respond to the French Revolution and second, how much money should the national government spend on public works.

It was the party of Alexander Hamilton which was the advocate of a strong, national public works program—canals, roads, and other forms of transportation and it was the party of Thomas Jefferson that largely resisted that on the basis of wanting to put more responsibility at the State level. Two hundred years later, we sort of reversed roles as to who as the inheritors of those two fundamental traditions in American politics, wants to advocate a greater degree of decentralization.

I'd like to ask particularly Dr. DeGrove a question on that. During the Administration of President Reagan, there was a concept called New Federalism which was going to sort out responsibilities and attempt to assign a greater degree of accountability and primacy of responsibility for major functions.

Under that program, State and local communities would have had greater responsibilities for transportation. The corollary of that was that the Federal Government would assume greater responsibility for the income-maintenance programs such as Medicaid. What do you think about New Federalism in 1990 and if the concept was resurrected, what would be the appropriate trade-off of additional national responsibility to offset the additional State responsibility that is now being proposed for transportation?

Mr. DEGROVE. I think that that wasn't a bad trade-off as it was originally proposed in the New Federalism that really started to some degree in the Nixon Administration and was carried forward from there. I think that what you got was some devolution of responsibility to States and local governments without the Federal Government picking up its commensurate share of the social service and health programs that I think is still very much needed.

I think there is some possibly good things that could still be done there but not in a posture where you say, "Well, we will give you (the States) responsibility for things, but we (the Federal Government) won't take other things such as health and social service functions.

We've got this huge deficit that hangs over us like a black cloud and it clouds your—I can't imagine how frustrating it must be. I guess maybe I can imagine that, to be in the Congress of the

United States these days, to see needs, and to have such a set of inhibiting circumstances in your way from meeting those needs, is a very frustrating thing.

We are not investing in public values in this Nation from the Federal level the way we ought to. We ought to have the courage to raise taxes, to cut defense spending, and to strike a new balance in which we have revenues to do a New Federalism, to desolve some things to the local and State level and to pick up some other things to keep the balance. Transportation has historically been a major Federal thing, unlike education, for instance. I think transportation has to continue to be a major role for the Federal Government.

I think things like impact fees are important. Developers in Florida have no problem with paying impact fees but they are demanding that other relevant actors pay their fair share. I'm really suspicious of trying to sort out under the rubric of federalism exactly what everybody is going to do. Every major function in this country, that's really important, is a shared responsibility, almost always, between the State, Federal, and national government. The environment is a good example.

One of the most disgraceful things done in Article V (The Court System) was to put new responsibilities on counties and promise the State would pick up the cost of much of that. We never did it. We haven't done that to this day. This county, Congressman, as you know, is under a daily fine of $1,000 by the courts for not having enough jail cells. That's one of the things that 1 cent optional sales tax would have built—a lot of more places to lock people up.

So I just think we haven't behaved responsibly in crafting a new image of Federalism. We were going in the right direction in the 1970s and 1980s, but a responsible system that cannot be brought about without coming to grips with the deficit and by having some revenues in the system that can be used for meeting unmet needs nationally just as we have them in the State.

You know, Congressman, not a darn soul—and I debated all over this county on this 1 cent optional sales tax—ever challenged me that the needs outlined weren't real needs. The only exception was the possibility that we might build roads out through southwest Broward. Everyone agreed we need to relocate the wells, and create the new storm water management systems. We need the jails, new health services, all sorts of things. Nobody said we didn't need them, but they were not ready to pay for it this way right now.

Mr. SHAW. Let me say, I watched that debate. In fact, my daughter was the producer of it and I was attempting to critique it for her and when she got home, she asked me how I thought it came out and I said that you won on points, the other side won on emotion and that's exactly I think the way the voters——

Mr. WEBB. I think that's right. Somebody was teasing me about predicting he was going to win? Well, hell, when you're in the middle of a campaign, you're not going to say you're going to lose, but we were ahead when the campaign started and we went downhill from there, as far as I could see, and the more we talked and the more we tried to articulate the need—there were some people hoping well, stop the world, I want to get off. You don't put the infrastructure in, they won't come. Well, my God, look at Florida. We've been not putting the infrastructure in for 40 years and they still came and we got 13 million plus people and we're going to have 16 million in 2000 and we're going to have 22 million in 2020.

I'm a fifth generation Floridian, Congressman. That frustrates me too a little bit but we don't have the choice of not having those folks come. They're going to come whether you want them or not. We have to manage that growth wisely and well, stop selling Florida on the cheap as a recent Governor of the State was want to say, who now Chairs this subcommittee.

Senator **Graham**. Let me ask one last question which gets to a specific. Mr. Hill has alluded to several studies that the GAO has done on the topics that we've discussed today. One of those studies has been on Federal right-of-way acquisition standards and policies. We had somewhat of an anomaly in that for aviation, a local government or appropriate agency can acquire property, submit that property to the environmental regulatory review process, and assuming that it passes that test, then be eligible for Federal assistance.

With highways, however, if a State or local government acquires a corridor prior to doing the environmental studies, even if the environmental studies subsequently establish that it is an acceptable corridor, they are precluded from receiving Federal funds.

The consequence of that has been, whereas in airports there has been some history of advanced acquisition in anticipation of future needs, there has been relatively little of that in highway corridors.

The counter-argument is that the environmental processes may be distorted if it is known in advance that there already has been a substantial public investment before the environmental studies have been completed. I'd be interested in your assessment in terms of both environmental considerations and growth management, land use policies. Do you think we should maintain the current dichotomy as between airports and highways or adopt one standard for both and if so, which of the two approaches? Is the airport approach the more appropriate one for both types of transportation or is the highway approach more appropriate?

Mr. Hill, I will hold your comments for last since you have the benefit of actually knowing something about this subject.

Senator **Graham**. Mr. Webb.

Mr. **Webb**. Well, first, I think all the processes by which we form national capital are now pretty well adapted to subjects like a National Environmental Policy. I would personally hate to see us begin degrading the concept that major Federal actions that may affect the quality of the human environment may be taken without proper environmental studies, nor do I think it's necessary. I think that roads and airports have always required long lead times. They've always been capital intensive. They've always required effective long-range planning.

There is some more notable unwillingness, I think, in highway construction more than elsewhere, to respond to those needs—to the demands, now 20 years old in NEPA. It's not impossible to do advanced acquisition for highway corridors and do the necessary studies that would justify those acquisitions. In fact, it strikes as a very unwise thing to do advance acquisition of highway corridors otherwise, because you're looking at a major factor of its utility, if not of its possibility in the long run.

What happens when you've had your advanced acquisition of a highway corridor and you haven't had an advance look for the whooping crane? Then, you really get the matter focused on the fact that it's time to pave and there's this damn whooper in the way.

I think that good planning in either of those sectors could effectively respond to that need and that in fact, if advanced acquisition for airport sites is now getting Federal funds that don't respond to the requirements of NEPA, that's what needs correction and not otherwise. The problem is not in the law, as stated, but in the ability of the institutions that fund and plan those developments to do it soon enough and well enough.

Senator **GRAHAM**. Dr. DeGrove.

Mr. **DEGROVE**. I can be very brief. I think that we should adopt the highway right-of-way system approach for both but I think we ought to do more of it. Witness the $1.4 billion cost of I–595, largely because we failed to acquire that corridor in a timely way and then it was extremely expensive to acquire it when the time came that we finally decided we had to have it.

So I would agree. Look at—my Lord, you can't do that kind of thing these days, Senator, with the red-cockaded woodpecker running around and the gopher turtoise and all kinds of other endangered creatures. You better take a look at what's in that corridor before you acquire it. So I think we better adopt the airport approach to the present requirements in the highway area.

Senator **GRAHAM**. Mr. Hill.

Mr. **HILL**. I believe that you characterized our report and the briefing that we gave you on land acquisition very well. I do want to point out a couple of advantages of advanced land acquisitions noted by both the Office of the Secretary and the FAA. One of the benefits noted was lower land costs because speculative pricing is avoided. Another is the time it saves by allowing projects to be started sooner.

Further, advanced land acquisition places the risk on the grantee, who has purchased the land ahead of time, rather than the federal government. If the land is found, through the National Environmental Policy Act process not to be acceptable, the federal government is under no obligation to fund or reimburse the purchaser. I would like to note, however, that FAA said, in the case of advanced land acquisitions, no situations have occurred where land was purchased but environmental concerns precluded the building of the airport facility.

FHWA has recently begun employing strategies to speed-up land acquisition, within the confines of existing statutes and regulations. These strategies include entering agreements with landowners to limit property development and the use of a 2-tiered environmental assessment process designed to obtain earlier highway location approval.

In the situation with the FAA and their experience, there really have been no environmental assessments that have been disapproved in the case where they've had advanced acquisitions. So there are no situations then, they've gone out and purchased land and then because of the environmental concerns, not had the airport facility approved.

Mr. SHAW. Along those lines, I just have one other comment. My good friend John DeGrove talked about all the things he's has to worry about these days. I thought I'd give him something else, that is, the way that the deficit itself is scored. It's something that has to be of great concern to us. I think that the fact that the Federal Government is on a cash basis accounting system can be somewhat of a concern to us, the fact that we spend billions, we spend the infrastructure, we do not recognize any of that as an investment.

This is something that I would hope we could take a fresh look at and we can see if we are building for the future rather than simply making sure we come in at a level that's acceptable under a Gramm-Rudman guideline.

I think it's been a wonderful hearing. I thank you for allowing me to sit in on it this morning.

Senator GRAHAM. It's been such a good hearing, Congressman, that we have two additional people who want to speak.

Thank you very much for your contribution and if you have any ideas that you would like to add to those that have already been offered, the record will be open for 30 days to do so. We are going to hear from two members of the audience who have come and have asked to make a statement of three minutes or less.

First, the County Commissioner from Monroe County, Mr. Gene Lytton and second, Mr. G.E. Spofford, Broward County.

Mr. Commissioner, thank you for coming all the way from the Keys to be with us here today.

STATEMENT OF GENE LYTTON, COUNTY COMMISSIONER, MONROE COUNTY, FL

Mr. LYTTON. Mr. Senator, Mr. Representative, very briefly I'm here primarily to voice a concern that you will not allow small counties of 100,000 population or less to be victimized by Federal highway policies. They have not always been kind to small counties because those small counties make up the majority of counties in this Nation—the vast majority of counties in this Nation.

One had to be present when the I–95 hooked up with the Florida turnpike at Fort Pierce. Fort Pierce did survive but it took it many, many years to realize its growth potential, good or bad, but those small communities along U.S. 90 from Jacksonville to the Alabama State line, when I–19 went in, have not fared quite as well as Fort Pierce.

If you might picture from the perspective of Monroe County, picture in your mind a champagne goblet where the goodies are contained in the bowl portion and the stem is held in the hand and the base holds it up. When Monroe County was created in 1836, it was basically a line from Palm Beach to the lower shore of Lake Okeechobee to Charlotte Harbor. All of the goodies have been taken away from Monroe County and all we have left is the stem of that goblet and the goodie portion has been filled with vast and unheard of and inconceivable congestion and density.

Change that goblet to a funnel and the stem of that goblet to the neck of that funnel and you don't have gridlock in Monroe County. We have no grid. You—them into the Keys and we want you to realize that there are counties situated in this Nation that have peculiar needs and that the application of national standards just as in our recent battle over FEMA, Senator Graham, we finally got concessions because of the peculiarity in Monroe County. We hope that you will consider and allow some flexibility even in cost funding differential, if it comes to that for small counties, because if you go back and you study the Congressional history of the original highway bill, there was animated debate as to whether the aid should go directly to counties.

Perhaps it was a mistake that it did and perhaps it wasn't but all I'm here to do is ask you to please not apply the standards in so rigid a manner that small counties, the vast majority of counties in this Nation, might suffer.

Senator GRAHAM. I wonder, Mr. Commissioner, if you could give us a couple of examples of how you believe the smaller counties have been disadvantaged?

Mr. LYTTON. Well, the expenditure of dollars in the alleviation of the congestion in and around the gold coast of south Florida, the Florida Department of Transportation, Mr. Senator, which is a combination of Federal and State funds, just removed $28 million from its five-year plan on U.S. 1 in Monroe County, the only arterial highway in and out of that county. They flat removed $28 million. With the threat of moratorium because that is the only artery in and out of Monroe County presently at level of service "D." The mistake was made. The State and Federal combined funds replaced all our bridges just a few years ago and what do they do? At the peak of growth, they replace two-lane bridges with two-lane bridges.

Now even if we three-lane or four-lane U.S. 1 in Monroe County, it's not going to alleviate the situation because we have double the bridges in Monroe County. So it's not only the highway funds, it's the bridge funds and its vast reservoir of trust fund money setting there that could be used to alleviate many problems. So I'm here saying the highway bill says that the State and the Federal and local governments have joint obligations but I don't want small counties' revenue or potential revenue to alleviate their problems stolen to alleviate the problems in the Tri-County Area. I'm not saying that's what happened. All I'm telling you is that DOT removed $28 million from its five-year plan in Monroe County.

Senator GRAHAM. Thank you, Mr. Commissioner.

Mr. LYTTON. Thank you, Mr. Senator, Mr. Representative.

Senator GRAHAM. Mr. Spofford.

We also have had another request from Mr. Jack Luft, City of Miami. Mr. Luft will be heard after Mr. Spofford.

STATEMENT OF GEORGE SPOFFORD, DEPUTY DIRECTOR, BROWARD COUNTY AVIATION DEPARTMENT

Mr. SPOFFORD. Good afternoon. My name is George Spofford. I'm deputy director of the Broward County Aviation Department. I was originally going to say good morning, adjusted that to good afternoon. I was concerned I might be headed for good evening but I appreciate your giving me a few moments.

I just wanted to talk briefly about the interrelationship between surface transportation and the aviation system. We tend to think of aviation as being airplanes but it is dependent also on surface transportation. This is especially so in Florida. In a recent study by Wilbur Smith and Associates on the impact of civil aviation on the U.S. economy, they stated that only California exceeds Florida in the contribution to the local economy generated by civil aviation. That same study said that 57,000 jobs in the Fort Lauderdale metropolitan area were dependent on civil aviation. Airports cannot fulfill their obligation to the community unless they are not constrained capacity-wise.

The capacity constraint can be airspace. The capacity constraint can be airport facilities. The capacity constraint can also be access through surface transportation.

I'd like to just mention three surface transportation applications in relation to the Fort Lauderdale situation. First of all, southeast Florida has three major airports—West Palm, Fort Lauderdale and Miami.

These operate independently. They could operate as a system in a coordinated effort to maximize the efficiency of our airport system but that would be dependent on a surface transportation corridor connecting all three. Whether it be Tri-Rail or whether it be the High-Speed Rail System, if those are properly interfaced with the airports, we can get more out of our existing facilities.

If you looked at an aerial photograph of the Fort Lauderdale airport, you'd have to come to the conclusion that it has an outstanding road system serving it with 595, I–95, U.S. 1. But unfortunately, U.S. 1 is severely constrained both immediately north and immediately south of the airport resulting in restrictions on capacity. There's no access to 595 from our growing north side cargo operations and there's no direct route from the seaport to the airport without using city streets. The result is that we have constraints in our surface transportation to the airport.

The one other example we have is the large amount of cruise ship traffic that uses this airport. It's growing steadily. It's good for the economy and we encourage it but it peaks very badly and the bus activity results in almost shutting down our curbside and road system.

I think that Broward County represents an unusual opportunity to address this type of situation with an intermodal people-mover system. It's only four miles between the airport and the seaport. There is a strong base-load of passengers. The traffic is going to continue to grow. The right of way is available. The private sector has already indicated interest in it and if supported by the Federal and State governments, I think it's a project that could fly.

It also could be looked at as the first stage of a system that could later be extended to the north to the City Center and to the southwest to the Tri-Rail Corridor, giving a system that would connect the new Convention Center, the Seaport, the Airport, the Tri-Rail Corridor and the City Center. I think it's an opportunity that's probably not available anywhere else in the country.

I'd lastly like to comment about the funding source for airport facilities. There's been comment earlier about the Aviation Trust Fund. It has been steadily expanding. The funds are not being appropriated out of the trust fund to meet the needs of airports. When the appropriations are made, they're distributed in a less than completely objective manner and the formula used for distribution of entitlement funds does not take into account the differences created by an origin and destination airport such as Fort Lauderdale as compared to a hub type of airport such as Atlanta or to a lesser degree, Miami.

In a connecting airport, the passenger frequently just walks from one gate to another gate and yet they're counted the same as a passenger at Fort Lauderdale which requires road systems, parking curbside, ticket counters, lobby, bag claim, bag makeup areas. I think that the system needs to address that type of difference.

The proposed passenger facilitation charge is certainly one way of addressing this to meet the needs of the system, to meet local needs and provide that element of capacity that's required for our total aviation package.

One last thing I'd like to say is I believe one of the items that was said earlier about the ability to obtain grant funds for an airport site—I believe one of the problems we have right now is that grant funds are not available until the site has been permitted and it's impossible or very difficult to obtain permits unless you own the site, so we end up in a situation where you can go through the entire environmental process, acquire the site, and still not be eligible for grants, even though the FAA has been the one that has handled the environmental hearing process.

I thank you.

Senator GRAHAM. Mr. Spofford, in the early to mid 1980s, there was an effort made to look at future aviation needs in southeast Florida on a regional basis from at least Indian River County through Monroe County. What's the status of that regional effort?

Mr. SPOFFORD. That study is ongoing. It's very active. It's addressing more total capacity requirements than I think it does the integration of facilities such as I mentioned earlier. That is a very necessary step. That process is what is leading to the identification of the need for something like a Weston as a reliever airport to Fort Lauderdale.

Senator GRAHAM. Why couldn't that study also look at the issues of the coordinated ground transportation required to make a set of air facilities to serve a region maximally functional?

Mr. SPOFFORD. I think that the study probably could but the basic item that has to be addressed is far outside the realm of the aviation interest but I think a coordinated effort with those who are addressing the High-Speed Rail or the Tri-Rail type of program is certainly worthwhile and called for.

Senator GRAHAM. You partially answered the next question I had and that is, in terms of relief for Fort Lauderdale International, when do you anticipate that Fort Lauderdale International will reach its capacity and what do you see as the lost capacity for Fort Lauderdale International strategy for Broward County?

Mr. SPOFFORD. Well, the capacity will be reached early in the next century. I think that there are several things that are being done, can be done. One is the controversial but very much needed extension of the south runway to provide additional capacity at the airport. The site is sufficient to accommodate the additional gates, additional parking necessary to support that additional runway.

A second thing is the reliever airport at Weston which would allow moving an increment of traffic from Fort Lauderdale that is not required to be at Fort Lauderdale, leaving International available for commercial traffic. A third item is the proposed supplemental airport in Dade County. Its location and its purpose will also serve Broward County.

Senator **GRAHAM**. Let me just pursue an earlier question. Who do you think should be responsible for that coordination as between the airport facilities in southeast Florida and a coordinated ground transportation system to serve them and to make them as efficient and optimally, mutually beneficial as possible?

Mr. **SPOFFORD**. I don't think that there's a single individual or entity that should be identified that way. I think it's going to be a matter of, if we're the ones that recognize this, then convincing others that their cooperation and a coordinated effort is worthwhile. I think like many things, if you believe in it, then you need to take action on it rather than trying to identify a single individual who should be responsible.

Senator **GRAHAM**. If he's still here—is Mr. Carlile from the Florida Department of Transportation still here? I was just going to suggest that maybe Mr. Spofford might like to talk to Mr. Carlile whose title sounds as if he would be a person who would be a significant part of that group of ground and air coordinated planning.

Mr. **SPOFFORD**. Certainly. Be glad to.

Senator **GRAHAM**. Thank you very much.

Mr. **SPOFFORD**. Thank you.

Senator **GRAHAM**. Mr. Luft.

STATEMENT OF JACK LUFT ON BEHALF OF CESAR ODIO, CITY MANAGER, CITY OF MIAMI

Mr. **LUFT**. Senator, Congressman Shaw, thank you. It's a pleasure to have this chance to speak with you. The City Manager from Miami has asked me to come up and speak to this issue which is of vital concern to us, particularly as the largest center city in Florida. As I listened to the speakers today, there's so many issues that cut to the core of what we're confronted with, I don't know where to begin but I want to underscore in particular Dr. DeGrove's comments about land use.

As a center city, we're not confronted primarily with building new massive transportation projects. Obviously, major new highways are not in the offing. So often, we're trying to overcome site-specific hurdles and logjams within our system which I'll address in a moment.

What comes to mind is the transportation study that Los Angeles did which is often cited as being about 10 years ahead of us in predicting the future, where they looked at every conceivable means of resolving their transportation mess and gave themselves a lot of extraordinary options conceptually and in the end, their computer modeling showed that in Los Angeles, no matter what they could do, you couldn't name a device they didn't try, in 20 years, their transportation system collapsed save for one option and that was to move people closer to jobs or jobs closer to people.

In the city of Miami, we're doing just that, particularly our downtown area, the map in front of us, we've got one of the most aggressive housing redevelopment neighborhood development programs in the State and that's the Park West Overtown Redevelopment Project which seeks to bring 7,000 new housing units into the downtown area, for people to live and work in proximity and an Omni Redevelopment Area which is targeted to bring several thousand new jobs in a major redevelopment in downtown.

Connecting those two projects and our core area is Biscayne Boulevard which just so happens to be the only link between the Port of Miami, the world's largest cruise port and rapidly gaining in cargo port and I-395. That link is now under such stress that the Federal Government through the Department of Transportation has funded a $10 million feasibility study to look at a tunnel which is now on a preliminary basis looking like it's going to cost $300 million by the time we could ever get around to building it in the next century.

In the meantime, the city has taken the chance to look at an innovative approach for dealing with a number of these issues, specifically the cost of land acquisition for highways, the question of environmental impact for highways and the intermodal integration, not least of which is pedestrian in our core areas which so often suffer from most of these transportation projects.

I brought a bold scheme with me, some drawings. I'll leave it to the side, perhaps you may want to see it later, but it seeks to widen Biscayne Boulevard, add additional traffic lanes, turning movements, resolve some deficiencies in turning radii and the city is prepared to advance something between $15 million and $20 million worth of land value at no cost to accommodate this project provided we can build an improvement that will add an amenity and a design to downtown that will address social, cultural and environmental issues as well as the critical transportation needs by providing this link from the port to I-395.

The lack of housing funds to carry on the facilitation of this Park West Overturn Project, the 7,000 housing units, the lack of job development monies for the economic development of the Omni Area—all of these things are related. They simply defeat our best efforts to make sense out of this transportation mess and now we're looking at the question of Phase II of Metrorail, extending north to the Broward County line. As I drove up here today, I can tell you for a fact there was a bumper-to-bumper traffic jam from downtown Miami to the Broward County line. I have no idea how I'm going to get back, but that Metrorail system in that Phase II length to the north is absolutely fundamental to the economic concentration that Dr. DeGrove called for.

This urbanization of Florida as opposed to the suburbanized sprawl that we got, there is no way to accommodate that even though the city of Miami has prepared a development of regional impact that has been passed by the State of Florida, an area-wide DRI for the downtown that is poised to accommodate new growth, except for the fact that we don't have the Phase II Metrorail and we're missing vital links to the I–95 system, primarily the Biscayne Boulevard off-ramp connection to Biscayne from I–95 and now the new length that we're looking for, 20th Street to the Jackson Memorial Complex which is also suffering from inordinate growth and only one major exit from the Interstate system.

We do not believe that the Interstate system is complete, that we have to come back and revisit these land use questions, these concentration questions that are coming to the fore now that were never envisioned in 1960 when these systems were laid out. We need new connections and we need revisions to that old system.

Thank you very much.

Senator GRAHAM. Thank you very much, sir.

I had an opportunity to be briefed on your plan by Mr. Odio when he was in Washington recently.

Congressman Shaw, do you have any questions?

Mr. SHAW. No questions.

Senator GRAHAM. Thank all of you for your participation either as panelists or as a member of the audience. This has been a very constructive hearing. We've covered a lot of important subjects.

This hearing will help to provide a foundation for future hearings and I'm pleased that that foundation includes so much of the sensitivity and perspective to the needs of communities such as Broward County, south Florida and our State.

Thank you very much. The meeting is adjourned.

[Whereupon, at 1:35 p.m., the subcommittee was adjourned, to reconvene at the call of the Chair.]

[Statements submitted for the record follow:]

STATEMENT OF LEON N. LARSON
REGIONAL FEDERAL HIGHWAY ADMINISTRATOR
REGION 4
FEDERAL HIGHWAY ADMINISTRATION

BEFORE THE
WATER RESOURCES, TRANSPORTATION,
AND INFRASTRUCTURE SUBCOMMITTEE
COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS
UNITED STATES SENATE

CONCERNING THE
FUTURE OF THE FEDERAL-AID HIGHWAY PROGRAM
AND RELATED SURFACE TRANSPORTATION ISSUES

FIELD HEARING IN FT. LAUDERDALE, FLORIDA

March 19, 1990

Mr. Chairman and Members of the Subcommittee:

I am Leon N. Larson, Regional Federal Highway Administrator for Region 4 in Atlanta, Georgia. I am very pleased to be here today to discuss the future of the Federal-aid highway program and other related issues mentioned in your letter of invitation.
I would like to start by addressing the recently released National Transportation Policy. This is the first National Transportation Policy since 1978.

Secretary Skinner initiated the National Transportation Policy development process a year ago, realizing that it was time to take a new look at transportation policies. The Department went out to the American people in more than 100 public meetings. In essence, what we heard was a call for an improved transportation system -- a system with greater capacity and a sound financial base; a system that supports our national goals in the areas of safety, national security, environmental protection, and accessibility for all.

The people we heard echoed the words of President Bush that "we are ready to make an investment in America's future." An investment in transportation is an investment in our future economy, in jobs.

The National Transportation Policy provides a strategic framework for that national investment of time, of money, and of commitment. It shapes the movement of passengers and goods in the 1990's and beyond.

Simply speaking, the National Transportation Policy is about using our common sense -- doing the right things with our limited resources -- focusing on systems of national significance and promoting national priorities -- improving mobility, the efficient movement of goods, providing jobs and improving the quality of life for all Americans.

We deliberately structured the policy to be inter-modal in nature-- driven by the freedom of the marketplace and focused on moving America toward a transportation system that promotes U.S. competitiveness both at home and abroad. Its long-range strategy guidelines emphasize increased private sector transportation investment and job-producing economic growth.

The policy has six major themes: one, maintaining and expanding the existing transportation system; two, providing a sound financial base for transportation programs; three, maintaining a strong and competitive transportation industry; four, ensuring public safety and national security; five, enhancing the environment and the quality of life for our citizens; and six, advancing transportation technology into the 21st century.

This document is not the conclusion of a project, but the beginning of a new era and an ongoing process in which you, of course, will have a major role. The Policy has given us a long-term vision for the future and a short-term decision-making framework for major initiatives.

The Policy is the basis for preparing our reauthorization proposal for the highway, transit and highway safety programs and other near-term legislative initiatives.

I would like to turn now specifically to the Federal-aid highway program. The national highway network and the Federal-aid highway program have contributed enormously to the economic growth and social development of this Nation. This outstanding system of roadways is the major provider of surface transportation service for the United States. Americans enjoy a level of mobility unmatched virtually anywhere in the world.

The U.S. highway system so greatly influences the American way of life that its performance is a critical and continuing concern. Any significant deterioration in essential portions of the system could impair its ability to provide the Nation with adequate highway transportation.

For more than 30 years, the Interstate System has been the centerpiece of the Federally-assisted, State-administered, Federal-aid highway program. Now, with that system nearing completion, important decisions must be made about the structure of future highway programs and the future role of the Federal-aid highway program. As the nation moves into the 1990's, a number of challenges must be faced for our entire transportation system. The future of highway transportation will be shaped by the response to these challenges.

In developing the National Transportation Policy we conducted numerous analyses in an attempt to determine how to reshape and redirect the Federal-aid program to conform and enhance a changing future. These efforts included an examination of the future role of Federal government with respect to highways. As you might expect, many questions have arisen, such as: What is the proper role of the Federal government in meeting national highway program objectives? What is the appropriate level of Federal assistance? How much can and will the States, local governments, and the private sector do on their own? Certainly, in answering these questions, we have developed a perspective about how the future national highway program might look.

It is clear that we must preserve existing transportation infrastructure of national significance to make better use of what we have, and provide better connections between modes of transportation. The Department believes that the majority of our resources should be directed toward preservation of our highest order systems, those that serve interstate commerce and provide for the national defense, and to research and technology investments that will help ensure efficient and safe transportation.

At the same time, we must also ensure that there is a sound financial base to support our transportation system. The Federal government, in partnership with State and local governments, and the private sector, must see that the financial means are available to invest in America's future.

We seek to encourage a greater role on the part of the States, localities, and the private sector in the preservation and development of transportation infrastructure whose primary importance is statewide or regional.

The Florida High Speed Rail Project has the potential for becoming an excellent early example of this policy in action. The Department, through the Federal Railroad Administration, funded the initial studies that demonstrated the potential feasibility of a High Speed Rail system connecting Tampa, Orlando and Miami. The State, with the leadership of then-Governor Graham, established the Florida High Speed Rail Transportation Commission to solicit and evaluate proposals and to award a franchise for the construction and operation by a private corporation of this High Speed Rail system.

As you are no doubt aware, the review process established by the State has narrowed down to the point that one applicant remains and, if the State's schedule holds, the franchise should be awarded in the fall of 1991 with the start-up of operations expected in 1995. FRA is working closely with the State to ensure that the Federal and State environmental review processes are coordinated and to ensure that there is no wasteful duplication of effort or unneeded delays. FHWA is also involved in assisting the State's effort. On March 6, the representatives of the Florida Division of FHWA met with representatives of the State and the Florida High Speed Rail Corporation, to review preliminary project plans. As these plans become more refined, FHWA will identify those parts of the Interstate Highway rights-of-way in the vicinity of the proposed route that may be suitable for use by the High Speed Rail line and assist in developing the rail design in such areas to ensure its compatibility with highway operations.

The Department applauds Florida's initiative for developing a State-private mechanism for addressing Florida's transportation infrastructure needs. The Department will continue to provide technical assistance, serve as a facilitator trying to minimize Federal regulatory requirements and expedite whatever required Federal clearances remain.

Turning now to the highway program, estimates of highway and bridge needs from all funding sources range from $25.1 billion per year (as reported in FHWA needs report, based on 1987 dollars) -- to maintain our highway system at today's overall conditions -- to $39.4 billion per year -- to maintain condition and add new capacity where feasible. Needs will always exceed available revenues. The goal is to make the best use of available revenues by targeting funding to the most critical deficiencies. In general, from the Federal perspective this means an emphasis on highways and bridges that serve primarily interstate functions or support critical defense requirements.

To help meet the needs we face, the National Transportation Policy urges greater flexibility for state and local governments to raise revenues -- for example, allowing greater use of toll financing for Federal-aid highways; and encouraging greater private investment in transportation.

The transportation system depends on the services of providers that are efficient, competitive, and capable of adjusting to changing national transportation needs. We must keep the transportation industry strong and competitive by removing barriers that impede productivity, or restrictions that favor one mode over another. The administrative burdens affecting trucks and buses in such areas as non-uniform State vehicle registration and non-uniform State tax reporting requirements must be reduced.

Transportation safety will continue to be a key Federal responsibility. We must make every effort to ensure that the transportation system is as safe and secure as is humanly possible. Stronger measures must be taken to protect the environment from accidental spills of hazardous materials, and to rid our highways of unsafe commercial drivers and vehicles.

To address these problems the National Transportation Policy recommends improving highway and motor carrier safety by targeting federal financial support and technical assistance to promote enactment and more effective enforcement of laws governing speed limits, driving under the influence of alcohol or drugs, truck driver qualifications and vehicle maintenance, and use of safety belts, child safety seats, and motorcycle helmets; and increase public awareness in those areas.

We must enact policies that provide the transportation disadvantaged, including disabled Americans, with the benefits of our transportation system, and provide the residents of rural areas with critical transportation links to services they require.

Innovation and new technological advances are at the center of public and private efforts to prepare for meeting tomorrow's transportation requirements. Although technology alone cannot solve our transportation problems, it can make a significant contribution in combination with sound management of capital and human resources. There is considerable potential for new forms of transportation or advances in today's technology to solve many of our transportation problems. We must be committed to launching new transportation research and development initiatives.

We will devote additional resources to research and development, including programs to improve highway safety through human factors research, and seed money for private sector or State and local research on new transportation technologies, such as intelligent vehicle/highway systems. We should point out that Orlando, Florida is a location being considered for intelligent vehicle/highway system tests. Also, Florida's Epcot Center will be the site of a conference May 3-5, co-sponsored by the Department, to help coordinate the efforts of public agencies and private industry to apply the latest intelligent vehicle/highway system technology. Your interest and participation would be appreciated.

On March 9, Deputy Secretary Elaine L. Chao had the opportunity to address this Subcommittee regarding the Department's involvement in a promising transportation technology, magnetic levitation transportation system (maglev). As you know, the Florida High Speed Rail Transportation Commission is in the second phase in its process for awarding a franchise to build and operate a maglev line between Orlando Airport and the International Drive area, approximately 13 miles away. This line, which could begin construction next year, and could become the world's first commercial maglev system.

As the Federal Department responsible for the safety of maglev systems, the Department of Transportation has initiated a major research and testing effort to ensure the safety of maglev systems in our nation. Research on the Transrapid System proposed for the Florida project is underway and is being accelerated to ensure that the resolution of concerns with safety do not slow implementation. This work will evaluate the adequacy of the existing German standards covering this system, the compliance of the system with these standards, and the need for additional standards for operation in the United States.

The Department is assisting the Florida officials and developers in exploring the environmental issues related to the proposed Florida transit project, and will serve as the lead agency for preparation of any Federally required environmental documentation. The Department is also exploring the use of existing right-of-way, such as the Interstate Highway System and freight rail lines for transit systems. Preliminary assessments have indicated that the location of transit systems in Interstate highway median strips may be technically feasible in certain corridors where not otherwise constrained by horizontal curvature limitations. We are continuing to explore this issue and will work with interested parties to develop mechanisms to expedite the requisite approvals where highway segments can be used in a project.

The Department has asked for a budget increase of 17 percent in fiscal year 1991 for research and development in areas such as maglev as an alternative transportation mode.

It is clear that the demand for mobility by the American people will continue to grow, and our highway and roadway systems will continue to play a significant role in providing for that mobility. Our Department will work closely with Congress in preparing legislation that will reshape the Federal-aid highway program so it can respond more quickly and fully to increasing and changing demands. There is much to do before we complete all the details necessary for a comprehensive bill. We are interested, as you are, in developing apportionment formulas that will treat all the States fairly and equitably.

In another area, we are concerned about the effect highway-user tax exemptions have on revenues coming into the Highway Trust Fund. The largest of these is the 6-cents per gallon exemption for gasohol, which will result in an estimated $480 million loss to the Highway Account in fiscal year 1990.

Among the 169 guidelines and 65 legislative, regulatory and program objectives in the National Transportation Policy are long-term goals that will help to preserve transportation facilities currently in place; expand essential capacity; close the gaps in the transportation network; promote effective connections between rural and urban areas, between ports and inland points, and between modes; maintain the integrity of the trust funds, and ensure that all transportation user fees are spent for their intended purpose -- to improve transportation; and promote sounder management of our transportation systems.

There is little doubt that improved transportation will improve our productivity as a nation -- that an investment in infrastructure is an investment in jobs.

In your letter of invitation you expressed interest in requirements that govern right-of-way acquisitions for Federal-aid highways. The requirements that govern right-of-way acquisition on these highway projects are derived from the Uniform Relocation Assistance and Real Property Acquisition Policy Act of 1970, as amended, and the implementing government-wide regulations. Florida, like all States, must have enabling legislation and procedures that meet the Federal requirements.

One focus of attention for meeting future transportation needs is preservation of the land or corridors required for anticipated new capacity additions. If the land is not acquired and set aside in advance for facilities such as airports and highways, the property often will not be available to accommodate necessary projects in the future, without serious dislocation. While preserving corridors is often costly in the short term, in the longer term it can save the community and general public the much higher expense of buying out and relocating high density development.

That concludes my prepared statement, I will be pleased to answer your questions at this time.

STATEMENT OF
GENE E. CARROLL
DIRECTOR, OFFICE OF PROJECT MANAGEMENT
URBAN MASS TRANSPORTATION ADMINISTRATION
BEFORE
THE WATER RESOURCES, TRANSPORTATION AND INFRASTRUCTURE SUBCOMMITTEE OF THE SENATE ENVIRONMENT AND PUBLIC WORKS COMMITTEE
FORT LAUDERDALE, FLORIDA
MARCH 19, 1990

Mr. Chairman, my name is Gene E. Carroll. I am the Director, Office of Project Management, at the Urban Mass Transportation Administration's Region 4 Office based in Atlanta. We are pleased to have this opportunity to appear before you to discuss UMTA, its programs, the National Transportation Policy, and the coming reauthorization of the Federal highway and transit programs.

UMTA's Major Grant Programs

Let me begin by providing you with a brief overview of the key funding programs administered by UMTA. Since its beginning in 1964, UMTA has provided some $52 billion in funding to public transit systems throughout the nation. Each year, UMTA provides funds to about 450 urban mass transit systems using UMTA's formula and discretionary grant programs.

Formula Grant Program

Under the UMT Act, Section 9 formula funds are apportioned to urbanized areas using a statutory formula based on population density and other factors associated with transit service and ridership. Grants under this formula program provide financial assistance for capital, operating and planning projects. The Federal share for capital projects is eighty percent, and fifty percent for operating projects. By way of example, some $1.6 billion was appropriated from the General Fund for this program in FY 1990.

Discretionary Program

UMTA's Section 3 program is one of the largest discretionary grant programs in the Federal Government. In FY 1990, Congress provided UMTA with $1.3 billion in budgetary appropriations for discretionary grants. Funds for the Section 3 program come entirely from the Federal motor fuel tax. The Federal share for these capital projects is seventy-five percent.

The purpose of the Section 3 program is to assist in the funding of high priority projects or extraordinary projects, for which the costs exceed the level of available Section 9 formula funds as well as local resources.

The Section 3 program has four categories:

- Bus - The acquisition of buses and ancillary equipment and the construction of bus facilities.

- **Rail Modernization** - Limited to the traditional "old rail cities" (Boston, New York, Philadelphia, N.E. New Jersey, Pittsburgh, Cleveland, San Francisco and Chicago).

- **New Starts** - Funding for new fixed guideway projects. Proposed projects are subjected to a rigorous planning process (alternatives analysis).

- **Secretary's Discretion** - Funding that can be allocated to any of the above categories.

Rural Program

UMTA also has the section 18 rural program which provides funds to the States for use in nonurbanized areas. These funds are made available under a statutory formula based upon population factors. Grants under this program provide financial assistance for capital, operating and planning projects. The Federal share parallels that of the section 9 program: eighty percent for capital projects and fifty percent for operating assistance projects. Approximately $65 million is made available annually for this program.

In addition, since 1987 $5 million has been made available each year under the Rural Transit Assistance Program, which provides training and technical assistance to rural operators.

The National Transportation Policy

As you know, President Bush and Secretary Skinner recently announced the National Transportation Policy.

That Policy encompasses six themes. The Department is committed to:

- Maintain and expand the Nation's transportation system
- Foster a sound financial base for transportation
- Keep the transportation industry strong and competitive
- Ensure that the transportation system supports public safety and national security
- Protect the environment and the quality of life
- Advance U.S. transportation technology and expertise

What does the Policy mean for UMTA? Local public transportation - including bus and rail transit as well as carpools, vanpools, and other ride-sharing - has a vital role in American communities. If it is coordinated more effectively with other forms of transportation and other local policies, public transportation can play an even greater part in assuring mobility for residents of our cities and towns, making the best use of transportation facilities, and increasing the capacity of the overall transportation system. The Statement of National Transportation Policy calls for bringing principles of market competition to bear in public transportation, continuing to take advantage of private sector financing and operation of local mass transportation, increasing the flexibility and incentive for local officials to make cost-effective transportation choices, and adjusting Federal procedures and standards to be more sensitive to the scale and nature of communities and the services they need. The policy will also be reflected in continued research and sharing of data and information on sound planning and operating practices in urban mass transportation.

The statement sets out principles for legislation to reauthorize the Urban Mass Transportation program for 1992. Under the new policy, the program would emphasize effective movement of people, rather than simply vehicles or specific modes of transportation; greater flexibility in use of transportation trust funds for highways and transit; higher State and local shares of the costs of federally assisted transit projects; and reduced operating assistance for mass transit.

Let me address some of these issues briefly in a general way, recognizing that we have not completed our specific legislative proposals.

Effective Movement of People

The key question regarding mass transportation is not what mode, but what best serves the mobility needs of the affected citizens. We are finding, for example, that more and more Americans are commuting not from suburb to downtown but from suburb to suburb. Transportation policies should be designed to address this emerging commuting pattern. Planning obviously is an important element in this regard, and UMTA policies require that metropolitan planning organizations have a voice in the allocation of Federal funding. This is also something we will be looking to encourage in our reauthorization proposal.

Flexible Use of Trust Funds

We at the Federal level also have to carefully review our programs to see if there are ways to increase flexibility and decisionmaking at the local level. One obvious area for serious consideration is the interaction of the Federal transit and highway programs. We are looking at ways that that would make some of the funding under the different programs eligible for either transit or highway projects. Many of those who participated in hearings on the national transportation policy encouraged us to carefully consider this type of approach, arguing that this flexibility would lead to better decisionmaking at the local level - based not on the source of funds but on the particular needs of any given area.

State and Local Role

We would also like to see a larger State and local role in the funding of transit projects. As Secretary Skinner has noted, the more local financing that is involved in a project the greater likelihood that local officials will monitor projects better. It is easier to turn to the Federal Government for funding overruns than it is to have to explain cost increases to local voters. Thus, we are considering proposals that would increase the local share contribution on certain projects funded by UMTA. We also think it is important to establish predictable and stable funding sources at the Federal level so that localities can develop plans on the basis of an assured level of funding. In this connection, it may be wise to emphasize formula distribution of funding.

In conclusion, Mr. Chairman, these are just some of the issues UMTA is considering as part of the legislative proposal we will be submitting to Congress. We are looking at them in the context of the National Transportation Policy, and we hope to present a strong framework for transit in the 1990s.

Mr. Chairman, that concludes my remarks and I would be pleased to answer any questions you may have.

FLORIDA **DEPARTMENT OF TRANSPORTATION**
BOB MARTINEZ
GOVERNOR
605 Suwannee Street, Tallahassee, Florida 32399-0450
BEN G. WATTS
SECRETARY

Testimony of
Frank Carlile, P.E.
Assistant Secretary for Planning and Engineering
before the
Water Resources, Transportation, and
Infrastructure Subcommittee
Committee on Environment and Public Works
United States Senate
Monday, March 19, 1990
Fort Lauderdale, Florida

Thank you for the opportunity to testify concerning the future of the Federal-aid highway program and related surface transportation issues. I am pleased to be before you today representing the Florida Department of Transportation. Regrettably, due to a meeting of the Florida Legislature's Joint Transportation Committee taking place this morning, Florida DOT Secretary Ben G. Watts will be unable to present testimony in person.

On behalf of the Department of Transportation and the State of Florida, I'd like to welcome you, fellow Floridians and "non-Floridians" alike, to South Florida. In addition, I want to commend Senator Graham for his leadership in persuading the Water Resources, Transportation and Infrastructure Subcommittee to visit our state to learn first-hand about the issues confronting a high-growth state like Florida, and to listen to our transportation ideas for the 21st Century.

Before discussing the Florida DOT's recommendations for a new surface transportation program, a few comments regarding the recently-released National Transportation Policy (NTP) would seem to be in order.

We at the Florida DOT applaud the Bush Administration's efforts to elevate the national dialogue on one of the most important policy issues facing our nation -- the national transportation network. As U.S. Transportation Secretary Samuel K. Skinner noted in the introduction to the NTP report, "no industry in the Nation is more important to U.S. economic growth and international competitiveness than transportation."

The NTP report, while clearly addressing some of our most important transportation policy issues in a favorable way, has one glaring weakness and that is on the issue of funding.

At a time when federal support for highway improvements has decreased 21 percent over the last 20 years, and the collective balances in the Highway and Aviation Trust Funds exceed $29 billion, the Florida DOT seriously questions the notion that states should now pay an even larger share of transportation funding costs.

The concept of user financing has been the backbone of the federal highway program for years and the NTP calls for "greater reliance on user charges." Regrettably, many of these user fees, collected expressly for transportation improvements, are not being used to make our airways safer or our highways less congested. They aren't being used at all. Many say that they are being withheld instead to make the federal budget deficit appear smaller on paper. When one considers that the current balance in the transportation trust funds is $29 billion, a figure projected to swell to $34 billion if the Administration's budget is enacted, it is appropriate to ask for what purpose is this greater reliance on user fees suggested? Surely not for deficit reduction. Why not for transportation?

We at the Florida DOT concur with the President's statements found on the first page of the NTP report. In his comments President Bush correctly points out "our forebears made an investment in the future that has paid a handsome return" and that "the transportation systems they built formed the foundations for a society far different from the one they inherited." The challenge to the Administration and Congress is to recognize the truths contained in these statements, and make similar investments in the future of our society by devoting the federal funds necessary to make the National Transportation Policy's laudable goals a reality.

The President's remarks accurately reflect that the Federal-aid highway program, since its origin in 1916 and particularly with the initiation of the Interstate Highway System in 1956, has had a profound affect upon life in America. However, just as the many benefits afforded by this program are obvious, so too are the current program's shortcomings.

American transportation now clearly stands at a crossroads. If our transportation system is to have a chance of keeping pace with the growing needs in states like Florida, changes in transportation funding and programs structure must occur. We at the Florida DOT firmly believe that with the Interstate construction now essentially complete, reauthorization of the Surface Transportation Act provides the vehicle for this change.

In order to provide Congress and the Administration with Florida's input during the formation of the new national transportation program, the Florida DOT has prepared a brief report entitled "Transportation 2020: Ideas for the 21st Century ... Florida's Future Depends On It." This report, which accompanies my testimony today, makes three basic recommendations and then proceeds to provide a rational justification for each.

-Page 3-

These recommendations are:

- The balance in the Highway Trust Fund should be reduced by making increases in federal transportation funding over a period of years.
- The overall federal transportation partnership should be restructured and changes to the existing program made to more efficiently use whatever level of federal funding is available.
- The current formulas which disperse transportation funds to the states be revised to more accurately and equitably reflect today's needs.

These policy suggestions are based upon sound concepts developed by state transportation officials from around the country and deserve your consideration.

Unfortunately, there are some in the national transportation community who fail to recognize the inevitable need for change in the federal transportation program. The "battle cry" of these stalwart supporters of the status quo is, "if it ain't broke, don't fix it." Well, my reply to these individuals is to take their statement and fashion a more appropriate question out of it. I would say, "if it ain't broke, then why...?"

If it's not broken, then why in fiscal year 1988 did Florida only receive 64 cents back for every dollar sent to the Highway Trust Fund?

If it's not broken, then why cumulatively since the Interstate program began in 1956 has Florida received only 81 cents back for every dollar sent to the Highway Trust Fund?

If it's not broken, then why does current federal law penalize minimum allocation (MA) states which successfully pursue discretionary dollars (by a corresponding reduction in future MA funds)? This practice allows those states that are not forced into receiving minimum allocation funds to pursue discretionary dollars with impunity, while for those states that require MA it is extraordinarily difficult to ever do any better.

If it's not broken, then why are federal emergency relief dollars also considered as discretionary dollars and counted against receipt of future MA funds? Why should a state that has suffered the consequences of some event necessitating emergency relief money be further traumatized by having their minimum allocation for next year reduced?

If it's not broken, then why did a 1989 report by the U.S. General Accounting Office (GAO) find that commitments from the Highway Trust Fund could be increased by $7.4 BILLION without violating the Trust Fund's protection provision, known as the Byrd Amendment?

If it's not broken, then why did a 1986 GAO report which evaluated the factors used to distribute federal highway funds find that two factors used since 1916, land area and postal mileage, were unrelated to either the extent or use of the federal-aid highway network?

Clearly, the system is "broke" and we look to you to help fix it. For this reason, we at the Florida DOT solicit your consideration and support for the recommendations contained here and in cur "Transportation 2020" report, and look forward to actively working with you and your staff to enact these proposals into law.

Thank you again for the opportunity to testify here today.

March 19, 1990

REMARKS
TO THE
WATER RESOURCES, TRANSPORTATION & INFRASTRUCTURE SUBCOMMITTEE
OF THE
ENVIRONMENT AND PUBLIC WORKS COMMITTEE
UNITED STATES SENATE

SYLVIA POITIER, CHAIRPERSON
BROWARD COUNTY METROPOLITAN PLANNING ORGANIZATION

Today I greet the members of the Senate Water Resources, Transportation and Infrastructure Subcommittee as Chairperson of the Broward County Metropolitan Planning Organization. The MPO in Broward is made up of 5 of the 7 County Commissioners and 10 elected City Officials from throughout the County. Basically, our mission in life is to prepare highway and transit plans and to recommend priorities for funding agencies at all levels of government (including the U.S. Department of Transportation) and for private sector participation. We do this in accordance with both federal and state laws and regulations. You must believe that the MPOs in this rapidly growing state are extremely interested in the future of the Federal-aid highway program and related surface transportation issues.

Frankly, the press coverage that has preceeded you on the new national transportation policy is not very encouraging, but the policy document itself has some messages which we hope we can build on. We can certainly support policies such as closer integration of state, local and regional transportation planning, and coordination with land use planning, and strengthening the role of the MPOs in programming and setting priorities. However, we are not ready to concede that the burden of meeting urban transportation needs in the State of Florida should now be shifted to the shoulders of County and City Government.

I have asked MPO Staff to review our long-standing set of unfunded urban transportation needs and identify those which most clearly are legitimate requests for federal transportation aid to Broward County . These are our requests:

- **Completion of adequate connections to the Interstate Highway System:** We absolutely do not concur with the premise that the Interstate System is essentially complete in South Florida. We feel that this magnificent high-capacity system will be of only partial benefit unless we can improve our access to it, especially in the built-up area. This matter is far from settled in Broward. We could use an immediate infusion of federal interstate funding to do the following:

  — First, develop an additional interchange facility on the I-595 (Port Expressway) between I-95 and US 1 (Federal Highway). This new interchange would serve industrial users on the northside of the Fort Lauderdale - Hollywood International Airport and provide additional access into the expanding Fort Lauderdale Central Business District from the south

  — Second, extend the eastern terminus of I-595 into Port Everglades to upgrade its connection with Eller Drive/Eisenhower Blvd so as to provide regional highway access to the new County Convention Center.

  — Third, accelerate the completion of approach road improvements to reconstructed I-95 interchanges in South Broward. The construction phase of these projects has been deleted from Florida DOT's 5-year Work Program.

One of your future strategies is to "foster a balanced and integrated network." We don't like to see the federal government go to a "mainline" philosophy alone and take no interest in getting to and from the Interstate System. In your own terminology, the Interstate System will be more cost-effective if you can assist us in making the proper connections.

You also asked for testimony on intermodal approaches to expanding the capacity of the Transportation System. These interstate connections we are talking about here will improve the utilization of regional highway, airport and seaport facilities.

- **Reconstruction/upgrade bridge facilities over the Intracoastal Waterways:** The existing 17th Street Causeway bridge over the Intracoastal Waterway in Broward County is an ailing "Dinosaur." Heavy delays are experienced by both land and water borne traffic affected by this facility. These delays clearly establish the need for its replacement. This causeway is the critical entry point from US 1, the International Airport and busy cruise terminals, bringing almost 4 million annual visitors to Broward's unique oceanside resort and recreation area from around the world.

The costs of not replacing the existing four lane draw bridge may be quantified in terms of delays and operating costs. An average of 43 openings per day in 1986 resulted in an average platoon of waiting vehicles of over 1000 ft. long both eastbound and westbound, backing traffic up to the intersection with Eisenhower Blvd to the west, and beyond SE 23 Ave. to the east. Traffic is impacted for an average of 8.8 minutes by each bridge opening. While existing restrictions require a minimum of fifteen minutes between bridge openings, 20% of daytime traffic experiences stop delays due to openings, resulting in lengthy periods of Level-of-Service "F" across the causeway.

A 1986 study by Parson's Brinckerhoff found that 5,938 vehicles were delayed daily due to bridge openings for a total of 232 hours per day. Delays of this magnitude increase motorists operating costs by $125,813 per year, and result in the production of 260,275 lb of carbon monoxide, 17,298 lb of hydrocarbons, and 8,359 lb of nitrogen oxides annually. The same study predicts that 29 million dollars could be saved in terms of water vessel delay costs, travel time delay costs, and accident reduction benefits, over the next 50 years.

Also worthy of consideration, is the fact that drawbridge delays affect Emergency Medical Service operations which use the 17th St. crossing about twelve times a day.

All of the impacts and travel demands previously mentioned will be brought to bear on a bridge that is increasingly mechanically unreliable. The bridge was out of service for a total of 37 hours during 1988, and for 5 hours 57 minutes during December 1989 alone. During several recent weeks, almost daily breakdowns have eroded the public's confidence and caused massive delays. We urgently need a federal funding commitment to a replacement facility for the 17th Street Causeway. We'll let the engineers recommend whether a tunnel or new bridge is best. The main thing is to get this project off "dead-center."

- urban transit assistance: I hope you won't mind if we point out what we consider to be a glaring inconsistency in the new federal transportation policy. The Federal Administration is proposing to reduce operating assistance for urban transit in FY 1991. At the same time, you want to make more cost-effective use of existing transportation resources such as our urban transit systems. You also say you want to explore incentives in Federal-aid programs for cost-effective use of transportation assets, such as higher matching ratios. Whether you realize it or not, the federal policy to reduce operating assistance is now discouraging increased reliance on transit. All efforts at the local level are concentrated on trying to maintain the level of transit service we have now in the face of the decreasing federal presence. Instead, we must look to available federal highway programs, in spite of the exorbitant right-of-way costs associated with these programs, because this is what is available to us.

Broward County has levied 6¢ of Local Option Gas Tax and half of the proceeds of this tax go towards meeting the operating deficit of the County transit system. At the same time, our MPO Staff is continually reviewing transit route performance based on adopted performance standards and making recommendations to streamline service. So we are already doing what you apparently want us to do, which is making transit as lean as possible. But does this really make sense when considered alongside some of your Environmental and Quality-of-Life Policies. For example, you want us to minimize the adverse environmental effects of transportation on wetlands and to encourage the design of transportation facilities that fit into the natural and man-made environment. These policies are similar to those evolving out of the Florida Growth Management legislation. But what we are learning from growth management is that we must find an acceptable way to improve transportation service to inlying areas (urban in-fill is the new buzz-word). Transit is the preferred alternative to unlimited extension of roadways into undeveloped areas. I can tell you right now that your policy requires more transit service to the inlying areas. Where we can prove to you that transit is the most cost-effective approach, then we think you should reward us for this. We have a particular concern to upgrade transit service to urban redevelopment areas which can help rejuvenate the urban environment in Eastern Broward.

We are pleased to see the policy to provide seed money for research on new transportation systems and to assist in assessing their feasibility. This is something far beyond the capability of local government. And we much prefer a forward-looking, positive approach to making transit work better, as opposed to the prevailing anti-transit viewpoint at the federal level. We have some special transit needs such as serving a booming cruise business that requires getting high volumes of travelers back and forth between the International Airport and Cruise Ship Terminals at Port Everglades. We'd like to see some federal Research and Development funds applied to that concept.

And now for the comments I am sure you expected relating to the constraints on using federal highway aid already appropriated to the State of Florida. We believe this is definitely part of the construction funding problem for Broward County. To the best of our knowledge, these constraints are exercised by you to assist in balancing the federal budget, or in reducing inflationary pressures, or achieving related objectives. The cumulative impact of those constraints alone on the Florida DOT District IV portion of the 5 year Work Program (including Broward) is estimated to be at least $84.1 million in the following categories:

Consolidated Primary (CP)	$ 39.5 million
Interstate Restoration (IR)	27.9 million
Federal Aid Urban (M)	16.7 million

$9.1 million of the "M" Funds are reserved specifically for projects in the Broward County/Fort Lauderdale Urbanized Area.

The new federal policy document says that basically the withholding of federal highway trust funds is a misconception since there are significant commitments against the unspent balances.

As far as the Broward County MPO is concerned:

- The CP Program Funds are needed now for improving Flamingo Road in West Broward
- The IR Program Funds are needed now for I-95 Interchange and crossroad improvements
- The M Funds are needed now for improving Pembroke Road in Southeast Broward

Thank you for letting us have this time on your busy agenda.

Testimony by Commissioner Ed Kennedy,
Broward County Commission,
to the Field Hearing of the
Water Resources, Transportation and Infrastructure Subcommittee
of the Senate Environment and Public Works Committee
Monday, March 19, 1990, 9:30 a.m.
Broward Governmental Center
Fort Lauderdale, Florida

Mr. Chairman (Madam Chair):

Speaking for the Tri-County Commuter Rail Authority and all of us in South Florida who are working toward a better transportation future, I welcome you, and I thank you for this opportunity to provide input to this important body.

As a county commissioner and as a member of the Tri-County Commuter Rail Authority Board of Directors, I am especially pleased to be with you today, for transportation, water and environmental issues are of paramount concern here.

As I am sure that you are aware, Florida is one of the fastest growing states in the nation. About 1,000 people a day are pouring into the state, and many of them are pursuing their new lives in the South Florida Region. At the same time, South Florida is an international resort, attracting millions of domestic and foreign visitors each year. Moreover, South Florida is home for millions of seasonal residents who winter here.

In short, this is a unique region with a unique population that is in a constant state of ebb and flow, like the tides that rise and fall on the beaches.

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Our geography is equally unique. Unlike other regions in the nation which are generally radial in configuration, South Florida is longitudinal. It is virtually a narrow corridor compressed between the Atlantic Ocean and the Everglades. We like to call it the Gold Coast, and with good reason: it is a wonderful, subtropical place with an extremely delicate environment that can only be preserved if we grow and develop in an orderly manner.

I present these realities as a backdrop to the challenges we are confronting in the arena of transportation. As an issue, transportation is without peer in this region, because we simply cannot meet the demands of incessant growth and maintain the quality of life and environment without a workable transportation system that balances the private automobile and public transportation. To do otherwise would mean turning South Florida into an asphalt and concrete grid--an unthinkable thought.

As you will hear from others this morning, we have and continue to pursue a system of balanced transportation, and I would like to focus on the role of commuter rail in that overall system.

At the risk of appearing immodest, I will first note that South Florida planned and launched the first new commuter rail system in the United States in more than two decades.

While other states and local governments continued to plan such systems, we are now into our second year of operating a commuter line between West Palm Beach and Miami.

This is a noteworthy accomplishment, not because commuter rail is a dramatic new technology, but because the local governments in this region joined together and worked in concert to meet a pressing need. I would also point out that this bold move involved--I daresay required--the very best of the federal, state, local partnership.

As a matter of background, the Tri-Rail commuter system was viewed as an important traffic mitigation measure during the period in which Interstate 95--the region's transportation backbone--is being reconstructed. But we also knew that commuter rail had to be a long-range strategy aimed at creating a truly balanced system of transportation capable of fostering orderly growth and development in this region.

So, as Ed Koch would say: "How are we doing."

Please consider these facts:

1. Daily rush hour train service began in January of 1989.

2. The system was put on track with $120 million in federal, state and local funds--at the same time that I-595 was being built for $1.2 billion and I-95 was being widened at a cost of $400 million.

3. Midday service was introduced in January of this year.

4. Ridership since January has increased 60 percent, an unprecedented figure in the transit industry.

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5. Tri-Rail service to major events in the region continues to attract more and more riders.

6. A growing number of working commuters are finding that commuter rail is not just a viable, but an attractive alternative to driving--especially as there is so much highway construction under way in this region.

In its brief operating history, Tri-Rail has demonstrated that commuter rail service can meet the needs of a highly diverse marketplace in an extremely dynamic region.

Is is perfect? No.
Can it be improved. Yes.
And, more to the point, should we continue to improve it? Again, I say yes. And for a multitude of reasons.

First and foremost, Tri-Rail is a new and growing system. As I mentioned, ridership is up 60 percent just since we added midday service in January.

Commuter rail is by far the preferred option for commuters who have the choice. This is self evident in any major European or Asian city as well as other regions in the United States. It is, quite simply, a 19th Century solution to many 21st Century transportation problems--and this accounts for the number of other commuter rail systems being planned around the nation. It is most assuredly a sane, practical solution in South Florida where growth is outdistancing our ability to build new or widen existing expressways and arterials.

Specifically, one Tri-Rail train with four cars carries 672 seated riders--and there is space for many more. Think how many vehicles are removed from the highways, how much energy is saved by thousands of people commuting on the train each day. Think about the reduction in pollutants. Think about the increase in employee productivity when they do not have to fight traffic on a twice-daily basis.

Convenient, affordable public transportation does not detract from the roadway system. Rather, it maximizes our investment in it. Smooth flowing traffic supports business and commerce. And it is precisely why we must continue to improve and expand Tri-Rail and the interconnecting services that make it a user-friendly system.

Senator Graham, I know that you had an opportunity to ride Tri-Rail with our Executive Director, Gil Robert, and that you met and spoke with many of our riders. We have a loyal and growing core of customers. We are operating in a market of four million residents plus millions of visitors. The better we make the system, the more people who will use it. And more to the point, the more balanced our transportation system will become.

I appeal to you to support the partnership of federal, state and local government as we make the necessary improvements. We have a strategic plan detailing those improvements and we are poised and ready to pursue them. As the first community in the nation in more than 20 years to start a new commuter rail system, we seek and value your support, and we pledge our commitment to running an efficient, productive system. We can do this because our costs are not fixed, because we expressly crafted a system that provides the flexibility and the opportunity to control costs through competition in the marketplace.

We think that we've created a model for other communities, and we look confidently toward a growing system that continues to contribute to the social, economic and environmental well being of this region. At the same time, we know that no single element of the transportation system--trains, buses or carpools--exists in a vacuum.

With this in mind, I point to the fact that the interstate program is nearing completion. With regard to the Administration's new national transportation policy announced earlier this month, we sincerely hope that attainment of this important milestone will not dim our individual and collective sights on other transportation needs.

Of course the interstate program is an accomplishment of monumental proportions--the largest public works project in the history of man. However, it does not exist in a vacuum either.

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The transportation needs of this region and of this nation cannot be met with roads alone. Clearly, it is incumbent upon us to integrate new services and more alternative modes in the overall transportation mix. To do otherwise is to blunder inexorably into the reality of theoretical gridlock, economic instability and environmental disaster.

We obviously take a great sense of pride in our transportation gains in this unique region. But we still have a long way to go-- for there is no apparent end to the growth of this area.

As we continue to meet the challenges and pursue the opportunities, we look forward to the leadership long exercised by the federal government in transportation and to working with you as partners for a brighter transportation future here and elsewhere in this great nation.

We salute you for coming to South Florida for a first-hand look and for meeting with us.

Thank you.

STATEMENT OF
COMMISSIONER DAVID H. RUSH
FLORIDA HIGH SPEED RAIL TRANSPORTATION COMMISSION

TO THE

SUBCOMMITTEE ON WATER RESOURCES,
TRANSPORTATION AND INFRASTRUCTURE

OF THE

SENATE ENVIRONMENTAL AND PUBLIC WORKS COMMITTEE

MARCH 19, 1990
FT. LAUDERDALE, FLORIDA

Senator Graham, Congressman Shaw, Congressman Smith. I appreciate your invitation and the opportunity to report on Florida's effort to bring high speed rail and magnetically levitated train travel to Florida. I would like to tell you how this means of transportation can improve the state's and the nation's transportation picture. Our work in Florida exemplifies the emerging need to support and develop new transportation technology on the Federal level and can serve as a model to formulate a new era of public/private partnerships.

My name is David H. Rush. I am appearing in my capacity as a Commissioner of the Florida High Speed Rail Transportation Commission. I was appointed to this Commission and its predecessor committee in 1982 by then Governor, now Senator Bob Graham. I am in my second four year term having been reappointed by Governor Bob Martinez. I am also Chairman of the Governor's High Technology and Industry Council which promotes and coordinates a public/private partnership of hi tech education and industry in our state. I currently serve on South Florida's Tri-County Commuter Rail Authority. I am President and CEO of Aptek Microsystems, and also a former airline pilot.

I was pleased to have the opportunity to testify before the National Transportation Policy Seminar last August when the

NATIONAL TRANSPORTATION POLICY WAS BEING FORMULATED AND ENCOURAGED THAT THE POLICY RELEASED LAST WEEK BY THE PRESIDENT SUPPORTS THE DEVELOPMENT OF HIGH SPEED TRAIN TRANSPORTATION TO HELP MEET OUR INTERCITY PASSENGER TRANSPORTATION NEEDS. I WOULD LIKE TO PUBLICALLY THANK FRA ADMINISTRATOR GIL CARMICHAEL FOR HIS COOPERATION AND SUPPORT OF THE FLORIDA HIGH SPEED RAIL INITIATIVE.

WITH YOUR PERMISSION I WOULD LIKE TO SUMMARIZE MY REMARKS BRIEFLY AS I HAVE SUBMITTED A MORE DETAILED WRITTEN REPORT.

IT IS ALTOGETHER APPROPRIATE AND IN THE PUBLIC INTEREST THAT THE FEDERAL GOVERNMENT PROVIDE LEADERSHIP AND SUPPORT TO THE NATION'S TRANSPORTATION NETWORK. THAT HAS BEEN THE CASE WITH THE NATION'S SUPERB INTERSTATE AND NOW MUST BE CONTINUED AS THE NATION REASSESSES ITS TRANSPORTATION, PHILOSOPHY AND ITS ROLE IN SATISFYING CURRENT AND FUTURE TRANSPORTATION NEEDS.

IT IS APPARENT THAT, BESIDES THE NEED TO MAINTAIN THE HIGHWAY SYSTEM, ATTENTION MUST BE GIVEN TO ALTERNATE WAYS TO FILL THE EVER INCREASING NEED TO MOVE PEOPLE AND GOODS. IN URBAN AND ENVIRONMENTALLY SENSITIVE AREAS MORE PAVEMENT IS NOT THE ANSWER. IN THE TRI-COUNTY SOUTHEAST FLORIDA AREA STATE PLANNERS THEORIZE THAT BY THE YEAR 2000 AN ADDITIONAL 44 NORTH/SOUTH LANES OF ROADWAY WILL BE REQUIRED. THAT IS NOT ONLY IMPOSSIBLE, IT IS FRIGHTENING. THE TRANSPORTATION FUTURE MUST ENVISION OTHER MEANS OF TRAVEL IN addition to roads and the automobile. There is ample evidence of this. Our cities are smog shrouded. There is a decrease in available land, and our environment is jeopardized even more when roads increasingly encroach upon our more sensitive environmental areas.

Florida is especially vulnerable. It is one of the fastest growing states, and with its extensive shallow wetlands providing the foundation for its ecosystem the state is under tremendous pressure to develop alternatives. Here, as elsewhere, the transportation network controls the growth, thereby influencing the economy and the quality of life.

In Florida the future is now. Florida has more cars than people - 12 vehicles for every 10 human beings; more than any other state in the nation. (California has 8.5 cars per 10 people.)

In the late 1970's business and government leaders began studying the feasibility of high speed train travel as an alternative for Florida. In 1982 with an Executive Order signed by then Governor Bob Graham and a $500,000 grant from the Federal Railway Administration, the 14 member High Speed Rail Committee on which I also served began its task. It sought to determine whether or not high speed train travel was appropriate as a transportation alternative for Florida. And, more important, in light of

DWINDLING ECONOMIC RESOURCES, AND FOR THE FIRST TIME SINCE THE RAILROADS OF THE LATE NINETEENTH CENTURY, COULD A PUBLIC/PRIVATE PARTNERSHIP BUILD IT? THE FEASIBILITY STUDY ISSUED IN 1984 GAVE THE NUMBERS AND ANSWERED THAT QUESTION IN THE AFFIRMATIVE. WITH THIS FEASIBILITY STUDY AS THE BASIS FOR A PUBLIC/PRIVATE PARTNERSHIP THE HIGH SPEED RAIL ACT WAS ENACTED BY THE STATE LEGISLATURE IN 1984 AND IS NOW PART OF FLORIDA STATUTES.

THE STATUTE ESTABLISHED THE HIGH SPEED RAIL TRANSPORTATION COMMISSION TO DEVELOP THE REQUIREMENTS, SOLICIT PRIVATE SECTOR INTEREST AND AWARD AN EXCLUSIVE FRANCHISE TO CONSORTIUM THAT COULD DEMONSTRATE THAT A MULTI BILLION DOLLAR HIGH SPEED RAIL SYSTEM COULD BE FINANCED, CONSTRUCTED AND OPERATED WITHOUT PUBLIC SUBSIDY.

IN ORDER TO ATTRACT THE HIGHEST QUALITY PRIVATE SECTOR INTEREST THE LAW PROVIDED SEVERAL INCENTIVES:

- PROPERTY DEVELOPMENT RIGHTS AND STREAMLINED PERMITTING, TO HELP FINANCE THE SYSTEM
- AVAILABILITY OF STATE OWNED TRANSPORTATION CORRIDORS - OVER 80 PERCENT OF THE PROPOSED CORRIDOR IS STATE OWNED.
- TAX EXEMPT BOND AUTHORITY WHICH THE FLORIDA HIGH SPEED RAIL TRANSPORTATION COMMISSION AND FLORIDA CONGRESSIONAL DELEGATION, MOST NOTABLY SENATOR GRAHAM, FORMER SENATOR CHILES AND THE LATE CONGRESSMAN PEPPER, WORKED ALMOST

FOUR YEARS TO ACHIEVE.

After a year and a half of careful review the Commission, in November 1989, selected the plan of the Florida High Speed Rail Corporation (from two plans submitted) to proceed through the next year and a half of review.

The Corporation proposes to build, operate and finance a high speed rail system between Miami, Orlando and Tampa using a high tech, state of the art Swedish designed train produced by the ABB Corporation, one of the largest industrial enterprises in the world. I would like to recognize Mr. Redding Stevenson, President of the Florida High Speed Rail Corporation. His 30-company consortium and substantial $10 million investment to date in proceeding toward the franchise are ample evidence of their caliber and serious intent.

The Swedish made ABB train would travel 150 mph or more and would whisk passengers between Miami and Tampa in less than three hours - airplanes would take somewhat less time but automobiles would require more than twice the time. On board amenities on high speed trains include computers, phones, FAX and a travel desk for the business traveler; and child care areas and food service for the leisure traveler or tourist.

It is estimated that this system would eliminate the need for about 300 lane miles of roadway at a cost saving of almost one billion dollars. In addition, high speed rail is twice as energy efficient as the automobile and three times as efficient as the airplane.

It is expected that the High Speed Rail franchise will be awarded in 1991 with the first trains operating in 1995, Florida's 150th birthday.

And that is not the end of Florida's high speed train prospects. We are also looking into the feasibility of a second type of high speed train travel - magnetic levitation. In 1988 the Magnetic Levitation Demonstration Act was added to the Statute. We are now reviewing a private sector proposal from Maglev Transit, Inc. of Orlando to build, operate and finance the first super-speed commercially operated maglev project.

Mr. Sam Tabuchi, President of Maglev Transit, Inc. is here with us today also. It was his interest in Florida's project which began in the early 1980's and whose team of backers includes the largest bank in the world and the highly developed German Transrapid maglev technology that is proposing to build this project. Mr. Tabuchi's company submitted a half a million dollar application fee to be considered for this project.

The maglev project, expected to cost $450 million, will operate at 250 mph between the Orlando International Airport and the International Drive tourist and entertainment area just east of Disney World. The 13.5 mile trip will take about five and a half minutes.

These are exciting prospects for Florida. Both projects have had the bipartisan political support of two governors and the legislature over the past decade. Local, countywide high speed rail task forces continue to support and further the cause. Other areas of the state most notably Jacksonville are seeking appropriations to fund a high speed rail feasibility study for their area; the Southwest Florida region is also gathering support.

As the acknowledged leader in bringing high speed rail to the United States, we fully realize that what we do here will affect other sister projects in Texas, California/Nevada, Ohio and Pennsylvania. We all work together to make this exciting transportation means a reality.

Recently there has been interest on the national level. The Florida Commission was honored to present a paper on high speed surface transportation to the prestigious Transportation Research Board executive committee at the January TRB Convention in Washington, DC.

I would like to call your attention to and enter into the record that paper presented by our Executive Director Charles H. Smith and another research paper on environmental and economic aspects of high speed rail prepared by Dr. Tim Lynch of our staff for Senator Moynihan's committee.*

Also, last fall the nationally renowned Argonne Laboratories issued a report hailing the prospects of high speed train travel between airports. It would be most efficient in distances under 300 miles, and allow airlines to concentrate on longer distance travel, thus reducing the pressure on airport capacity.

And on the Federal level there is an effort once again to secure research and development money through legislation sponsored by Senator Moynihan and supported in the Presidents' National Transportation Policy.

But there must be tangible support. High Speed train transportation should be part of the Federal initiative to improve the overall transportation network and standardize all train operations in the nation.

I think there is also a need for the Federal government to accomodate high speed rail along the Federal highway system corridors. As I mentioned earlier, it is an important incentive in attracting private sector interest to the Florida projects.

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*The documents referred to have been retained in committee files.

THE FEDERAL GOVERNMENT NEEDS TO CONTINUE TO ADDRESS THE PROBLEM OF SAFETY STANDARDS IN TECHNOLOGY AS WELL AS IN THE ELIMINATION OF GRADE CROSSINGS. WE HAVE HAD A SERIES OF VERY PRODUCTIVE MEETINGS WITH THE FRA THAT I AM CONFIDENT WILL LEAD TO A MODEL SAFETY STANDARDS PROGRAM FOR BOTH HIGH SPEED RAIL AND MAGLEV THROUGHOUT THE UNITED STATES.

THERE IS THE OPPORTUNITY TO HAVE SOMETHING POSITIVE OCCUR IN THE BLEAK TRANSPORTATION PICTURE - HIGH SPEED TRAINS OFFER AN ENVIRONMENTALLY SENSITIVE GROWTH MANAGEMENT TOOL AND LOW COST TRANSPORTATION ALTERNATIVE FOR THE UNITED STATES.

DH/AM
RUSH-51.RPT
MARCH 14, 1990

Supporting Information

Submitted by the

Florida High Speed Rail Transportation Commission

to the

Field Hearing

Subcommittee on Water Resources,

Transportation and Infrastructure

of the

Senate Environment and Public Works Committee

March 19, 1990

Ft. Lauderdale, Florida

Summary

In this era of critical transportation needs and critically limited funds, Florida is forging a new public/private partnership to bring high speed surface transportation (HSST) to Florida. This partnership on the state level with incentives to private industry can serve as a model for Federal participation and support in this area of critical need.

The Florida High Speed Rail Act of 1984 created a seven member Commission to develop the requirements outlined by the Act, solicit private sector response and award a franchise to one private sector company to build, operate and primarily finance a high speed rail system connecting the major urban centers of Miami, Orlando and Tampa.

Currently the Commission is reviewing a proposal from the Florida High Speed Rail Corporation which is seeking the franchise to be the builder of the nation's first high speed rail system. With a cost of $2.5 billion the Corporation intends to finance the system through state authorized incentives including real estate development profits and use of state owned transportation corridors; plus fare box and other rail related revenues, and a package of user fees, special assessments and impact fees.

It is expected that the franchise will be awarded in September 1991 and a first phase of operation would begin in 1995.

A subsequent Magnetic Levitation Demonstration Act enacted in 1988 expanded the scope of Florida's emerging high speed surface transportation by authorizing a private sector demonstration project, which would study the commercial application of magnetic levitation technology.

Maglev Transit, Inc. has submitted a proposal to build and operate a 13.5 mile system between the Orlando International Airport and the International Drive resort area near Disney World. The project, which would use German Transrapid technology, is the first study of the feasibility of this high speed surface transportation traveling at high speeds (250 mph), carrying ticketed passengers and baggage on regularly scheduled trips. This $450 million project will premier in October 1994.

HIGH SPEED SURFACE TRANSPORTATION - A DEFINITION

In beginning any discussion of high speed surface transportation in the U.S. one is led quickly to comparing U.S. experience with HSST plans and operations in other countries, particularly in Western Europe and Japan. This comparison leads us inevitably to the conclusion that the U.S. does not have any true high speed rail or surface transportation although plans are underway in several areas. The maximum speed on the northeast corridor is 125 mph, considerably lower than the French TGV or Japanese Shinkansen speeds. The Japanese have been operating the Shinkansen or Bullet Train on exclusive track at speeds up to 145 miles per hour since 1964. The French TGV trains have been operating over the 276 mile route from Paris to Lyon at speeds up to 165 miles per hour since 1983. A new TGV Atlantique line went into service in 1989 with operating speeds up to 185 mph and the German Federal Republic is testing the operation of its 200+ mph Intercity Express (ICE) train in West Germany. The West German government has also recently announced a route between Essen and Bonn for the operation of its Transrapid Magnetic Levitation (Maglev) train capable of operating at speeds over 300 miles per hour. Thus, any discussion of high speed surface transportation in the U.S. must deal with proposed plans rather than actual operations.

Defining HSST is more than just an academic exercise or an argument as to "who has the fastest train". HSST can be defined as a primarily passenger transporting system operating on a fixed guideway, dedicated and capable of sustained speeds in excess of 150 miles per hour. This definition can accommodate wheel/rail systems such as TGV, ICE, ABB and other high speed trains as well as the super speed magnetic levitation system under development in Germany and Japan. It specifically does not try to include the very fine AMTRAK metroliners operating on the Northeast corridor or the proposals for improving train operations in several other U.S. rail markets.

It is important to define HSST because it is becoming a matter of increasing attention by public policy-makers throughout the U.S. Several states have established special purpose " High Speed Rail" authorities or agencies to initiate the planning and development of HSST projects. These public bodies and the constituencies they represent need to know what they are dealing with because HSST systems will be faced with some unique and untested requirements with regard to operations, safety, and financing.

Federal Involvement

The Federal Railroad Administration is already addressing HSST in terms of research and development, safety, joint use of federal highway routes and other topics. Other federal legislative proposals are focused on setting up major R & D programs for maglev systems. In 1988 an amendment to the Federal Tax Code was enacted to provide tax exempt financing authority for intercity high speed rail and maglev systems capable of 150 mph average operating speeds between stations.

These new transportation ideas and initiatives have found their way into our national transportation policy to be formulated and encouraged in the "post-interstate" era. However there is very little precedence in the U.S. for the financing, construction, and operation of these high speed systems. Traditional railroad operating practices and safety regulations are not readily applicable to HSST.

The Federal government can plan another important role, similar to that being developed by the European Economic Community (EEC). The countries of the EEC are collaborating to form a European high speed rail network that will connect the 12 member countries with a universal system. They are developing a standardized gauge, compatible schedules and ticketing and coordinating other areas to produce Community-wide high speed train travel. The Federal government can play a similar role encouraging a uniform nationwide system. Federal participation in eliminating grade crossings and allowing use of federal right of way will all serve to advance HSST.

THE FLORIDA HIGH SPEED TRAIN PROJECTS

Florida offers one of the best opportunities for HSST in the U.S. Some of the key aspects of the Florida projects are:

1. Public/Private Partnership

   The public or governmental component of this partnership provides the means for the private sector to finance, build and operate HSST projects in Florida. This could be called a "privatization" or private "turn key" process. The Commission, through its authority under the High Speed Rail

Act, will award an exclusive franchise to a private consortium for the high speed rail project.

2. Financing

Although the use of public funds is not prohibited by the Act, the Commission has encouraged private financing. The plan being developed by the Corporation calls for a combination of real estate development revenues and real estate related revenues (benefit assessment districts, tax increment financing and impact fees) to provide the basic revenue stream. These and other sources of revenue may secure the issuance of tax exempt bonds if the Corporation chooses this means of financing. In effect this is the concept of "value capture" wherein the company that takes the investment risk benefits from the "value created."

HIGH SPEED RAIL

FINANCING SOURCES

Rail Revenues	13.04%
Real Estate Revenues	12.76%
Real Estate Related Revenues	57.34%
Equity	0.95%
Other Revenues	1.08%
Bond Proceeds	14.83%

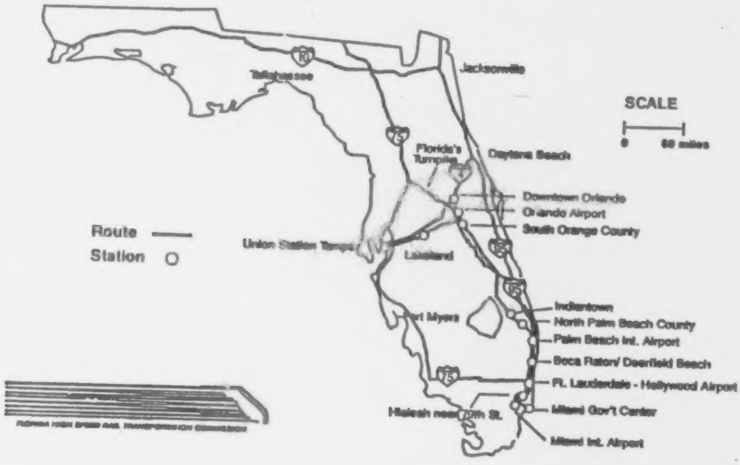
3. Feeder Transit Systems

Under the High Speed Rail Act any real estate developments adjacent to the high speed rail corridor must be connected to the high speed rail line by a transit system. This has already stimulated planning for new commuter rail lines and other types of people movers and connections to existing transit systems already in place such as Miami Metro. This not only assures that important transportation infrastructure is built concurrent with development but also recognizes the necessity that HSST have efficient feeders.

4. Airport Connections

All of the major airports in Florida will be served directly by high speed rail and include Miami, Ft. Lauderdale, West Palm Beach, Orlando and Tampa. The airports in Florida are the most important transportation hubs in the state. However the likelihood of locating and building a major new conventional airport in central and south Florida is slim to non-existent. Only Orlando and Tampa have possibilities for major expansions and offers one of the best arguments for HSST. The benefits of HSST connections to the air traveler, the airlines and the airports is significant.

PROPOSED FLORIDA HIGH SPEED RAIL ROUTE


10
Tallahassee
Jacksonville
SCALE
0
60 miles
75
Florida's Turnpike
Daytona Beach
4
Downtown Orlando
Orlando Airport
South Orange County
Route
Station ○
Union Station Tampa
Lakeland
95
95
Indiantown
North Palm Beach County
Palm Beach Int. Airport
Fort Myers
Boca Raton/ Deerfield Beach
75
Ft. Lauderdale - Hollywood Airport
Hialeah near 79th St.
Miami Gov't Center
Miami Int. Airport
FLORIDA HIGH SPEED RAIL TRANSPORTATION COMMISSION

5. Development of High Tech Industries

HSST will bring high tech business to any state and will foster an entirely new industry for the U.S. The prestige, international trade opportunities, and technology transfers will have far-reaching economic benefits throughout the state and the nation. It is an opportunity for the U.S. to regain prominence in an industry it should not have lost in the first place.

6. Environmental Benefits

The environmental benefits of [illegible] are immense. Compared to auto and air travel, HSST systems achieve considerable reduction in most air pollutants and can reduce the consumption of fossil fuels, particularly imported petroleum. It won't change the balance of trade overnight or solve the global warming problem, but it will allow steps to begin in these directions.

HIGH SPEED TRAIN*

TOTAL EMISSIONS REDUCTIONS

TONS/YEAR

Carbon Monoxide	3,725
Carbon Dioxide	62,228
Nitrogen Dioxides	1,043
Volatile Organic Carbons	671
Total Suspended Particulates	70
Tire Wear Total Suspended Particulates	61
Sulfur Dioxides	(159)

* High Speed Rail - 325 miles

and

Maglev - 13.5 miles

7. Growth Management

Florida has one of the strongest growth management statutes in the U.S. The objective of this state policy is to manage the tremendous growth the state has experienced over the past three decades. Florida adds almost a thousand new permanent residents a day. This permanent population, coupled with the influx of wintering "snow birds" and tourists places a huge strain on all of the state's infrastructure and services. HSST is a growth management program that can help direct that growth in ways that will avoid environmentally sensitive areas, encourage compact development and alleviate already overburdened facilities.

8. Increase in Transportation Capacity

Finally HSST in Florida is truly a transportation system that will substantially increase the overall capacity of the states transport network. To the extent these facilities are financed from private sources, the pressure for tax increases and public financing (mainly for highways) can be reduced or allocated for other critical projects. It has been conservatively estimated that the state, with HSST in place, can avoid building over 300 lane miles of new expressways at a savings of about $1 billion. Florida must provide an alternative to the highways and airports which are already exceeding design capacity and move to create a total transportation system that will function efficiently.

Conclusion

The need for HSST has been well documented in several feasibility and planning studies. A Florida DOT study estimates a $40 billion backlog in transportation projects over the next 10 years just to keep pace with growth. A private funded high capacity HSST system will go a long way toward solving this problem.

The private sector can build HSST projects with the Florida economy and the innovative High Speed Rail Act as the motivating force. Several large private consortiums have spent upwards of $30 million over the past 8 years preparing plans to compete in the franchise award process. The Corporation alone has spent $10 million to date and plans to spend another $10 million over the next 2 years leading to the franchise award. In December 1989 the Corporation paid a $650,000 application fee to the Commission. These actions represent a substantial commitment by the Corporation to proceed with this project. The two principal companies backing this consortium are the ASEA Brown/Boveri Company, a European based industrial giant and CRS Sirrine, a major U.S. based engineering firm. In addition there are almost three dozen other firms currently participating with the Corporation in this venture.

If HSST can't be brought into reality in Florida with all of these incentives and benefits it will be even more difficult in other regions of the country.

Although the Florida projects (high speed rail and maglev) are being developed in the private sector there is still an important role for the Federal government. The Federal Railroad Administration is deeply involved in the review and development of safety requirements for both high speed rail and maglev projects and is taking a very proactive role in advancing high tech transportation proposals. FRA also functions as the lead federal agency with Florida for compliance with NEPA.

The U.S. is on the threshold of a new era in transportation. New transportation technologies, facilities, services and innovative financing must first become part of our national transportation policy and funding programs. Then they must be developed as part of our national transportation infrastructure. The Florida HSST projects, and similar proposals in other states, are the wave of the future leading toward a truly integrated transportation system for the country.

March 12, 1990/mmd-am
DH/SUPP-51.TXT

TESTIMONY BEFORE THE WATER RESOURCES, TRANSPORTATION, AND INFRASTRUCTURE SUBCOMMITTEE OF THE SENATE ENVIRONMENT AND PUBLIC WORKS COMMITTEE

DIRECTOR, CHESTER E. COLBY
METRO DADE TRANSIT AGENCY
MARCH 19, 1990

A MICROCOSM OF TRANSPORTATION IN AMERICA

Dade County's transportation picture encompasses travel by sea, by land, and by air. As the gateway to both Central and South America and Europe, Miami International Airport ranks second in the country in international boardings. And our seaport has no equal in the world for volume of cruise passengers. Over 40,000 people travel each weekend between our International Airport and the Port of Miami -- a figure which is projected to double in only a few short years.

More than 520 miles of highway and 65 miles of toll roads crisscross South Florida. Commerce in this bustling area utilizes this impressive road network along with a busy seaport and two major railroad systems to keep freight moving. Every day millions of people travel South Florida roadways in automobiles. Some four million people reside in Dade, Broward and Palm Beach counties. The three South Florida counties have a population greater than 30 states. Dade County alone has a population greater than 17 states -- and it's increasing each day.

To keep people on the move, our unique system of bus, rail and commuter rail links the three South Florida international airports, providing convenient transit service between Dade, Broward and Palm Beach. In Dade County, thousands of people use public transportation. In fact, a third of Dade County households have at least one transit rider. More than 250,000 boardings are made on Metro-Dade Transit services each day. These people ride to work, to shopping, to sports events and entertainment. More than 30,000 students go to school each day on transit.

Our system of buses, trains, people mover and special handicapped rider services are keeping Dade County on the move. More than 570 buses travel over 24 million miles each year. Over half of our 73 bus routes connect with the 21-mile Metrorail rapid transit line and the 1.9 miles of downtown people mover. And with 2.5 new miles under design and funded for construction, our people mover route is about to more than double in length.

While our transportation system is impressive, it's not enough. During morning and afternoon rush hours, people in Dade face severe traffic congestion. More than 35 percent of our principal and minor arterial highways are critically congested. And our "rush hour" period of the day is expanding as traffic congestion continues to increase. With nearly 600 people moving to Dade County each week, there is no longer a time during the day when traffic congestion is not a problem.

While airport, seaport, highway, and transit use continues to grow, the Federal government is urging state and local governments to do more for themselves. In recent years, Washington has been very successful in transferring the burden of fulfilling the public's transportation needs to state and local governments. But what local government has any excess revenue in the 90's to meet the growing demand for transportation services? Now the Federal government is looking to the private sector to come forward and fill the tremendous gap in services. This is not the answer.

We need the Federal government to remain a partner in funding transportation solutions. But as a partner they must fund transportation programs, not just preside over the the rules, regulations and red tape that increase costs. We need a partner who will work with local officials to help solve our nation's transportation problems. Instead, the Federal government and all its resources are focused on simply cutting Federal transportation funding. They have proposed shifting the entire burden of resolving the problems of transportation to state and local governments without shifting funding.

But we're not sitting on our hands here in Dade County. Our draft twenty year transportation plan provides for 346 miles of roadways to be constructed or improved -- some 84 percent of the stated need. Due to the lack of funding, no transit projects are identified for construction, despite the fact that we have over 58 miles of fixed guideway corridors that we believe would qualify under the Federal Government's own cost effectiveness index.

A transit improvement program will be presented to the voters of Dade County on November 6th in a one cent sales tax election which will provide a stable source of funding for public transit. If approved, bus service will be expanded by 20 percent in the first three years, with a gradual expansion throughout the remainder of the period. The fixed guideway system will also be extended over the next 30 years. However, if this issue is not approved by the voters in Dade, present service will probably be reduced.

I'll say it again...we want the Federal Government to be our transit partner. Not at 75 to 80 percent of construction costs, but a strong equal partner providing about a 50 percent match to state and local funding. Dade County needs $50 million in transit Federal funding every year. This is $30 million less per year than we have received over the last decade. Florida currently contributes about $70 million each year into the Trust Fund. Perhaps we would be willing to contribute more if the Federal Government were willing to resume its role as a partner in developing public transportation projects.

I was especially encouraged when Secretary Skinner announced his goal of developing a National Transportation Policy and requested input from all across the nation. However, when President Bush recently unveiled the National Transportation Policy, I was disappointed. The Policy provided many profound thoughts and identified many of our transportation problems, but did not offer solutions. It did nothing more than pass the problem along to state and local government.

The Federal Government will undoubtedly retain CONTROL of our nation's transportation programs and force state and local governments to foot the bill -- so what's new? The Federal Administration has proposed and partially achieved a program of funding cuts each year during the past nine years. For fiscal 1991, the Administration proposed another 25% reduction in the Federal Transit Program by eliminating operating support to large metropolitan areas. A policy that does not guide us toward solutions is not a policy, but a budget strategy. We in Dade County would receive $8.5 million less, not a small problem for a county that has a $100 million shortfall forecast for fiscal 1991.

Dade County is in the middle of a mobility crisis. Traffic congestion, at one time a problem only during rush hours and in our largest cities, has now descended upon virtually every populated area in the county. The term "gridlock" is now in Websters dictionary. Automobile pollution places three out of every five people at risk because they live in areas that do not meet the minimal standards of the Clean Air Act. Since 1960, car registrations have more than doubled, growing four times faster than the population. At the same time, old roads have deteriorated, and new roads are being built very slowly...if at all.

From 1976 to 1986 highway mileage in the United States increased by less than one percent, while vehicle miles traveled increased from 1.4 to 1.84 trillion -- an increase of 30 percent. A study done by the National Council on Public Works Improvements indicates that Capital spending on all forms of infrastructure fell from 2.3 percent of the gross national product in 1960 to just 1.1 percent in 1985.

U.S. car makers spend five billion dollars annually on advertising alone. Annual Federal support for public transit is only three billion dollars -- a cut of 50 percent in real dollar terms over the last decade.

All alternatives to the single occupant automobile must be pursued. Transportation policies must not be formulated to relieve the budgetary problem nor in a social and economic vacuum, but to provide mobility. Congress must consider solutions to our mobility problems which will provide the resources necessary to slow down the rapid increase in traffic congestion in our nation.

To meet these needs at the Federal level, Congress must consider an increase in the gasoline tax. I think that amount should be seven cents. In real terms, gasoline prices would still be lower than they were fifteen years ago. The average level of gasoline taxation for five of our nation's major trading partners is $1.84 per gallon. With the proposed seven-cent increase, our average federal and state gas taxes combined would be only $.30 per gallon.

Let me emphasize these points:

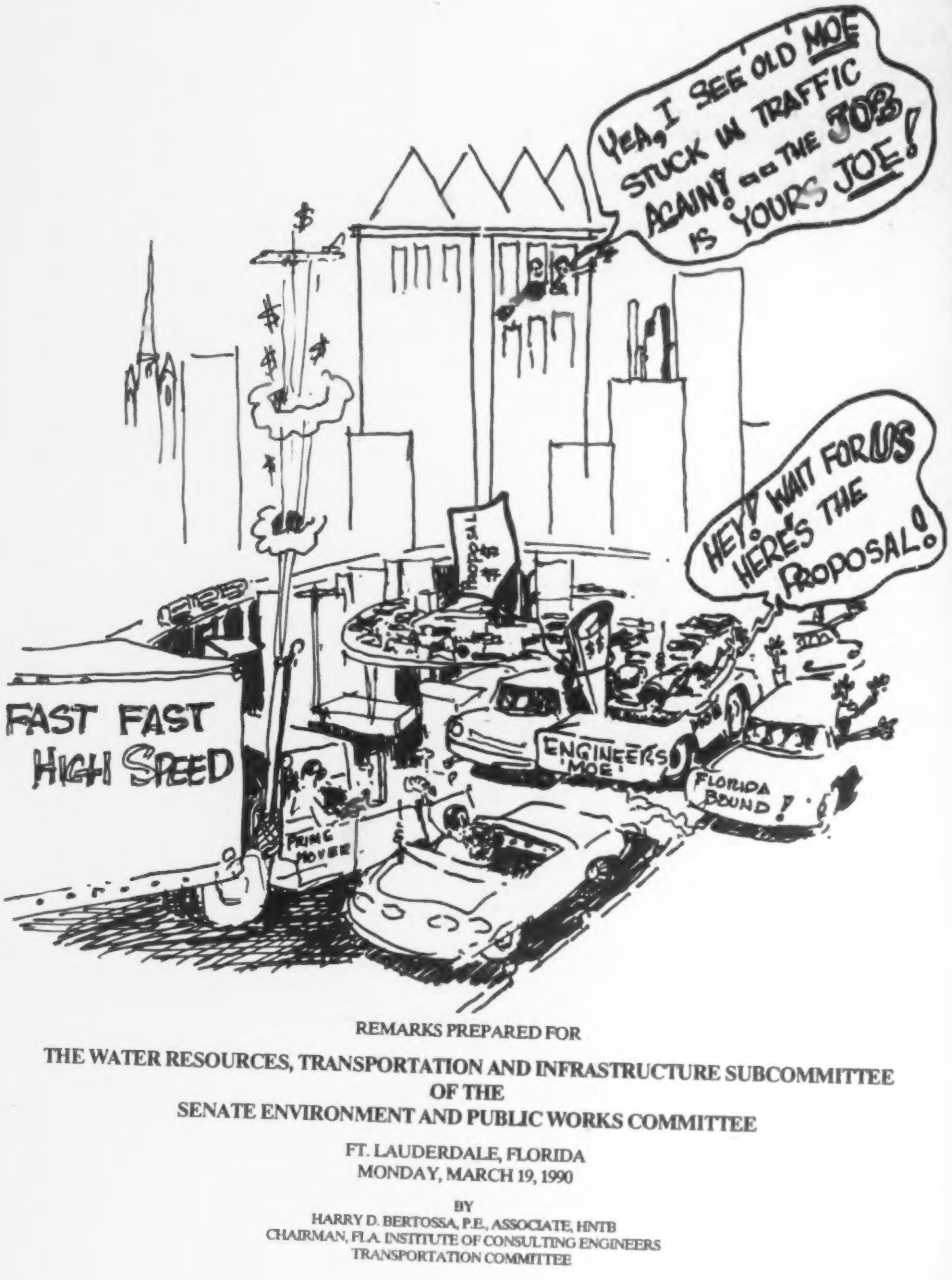
Traffic congestion in Dade is going from bad to worse, while transit ridership in Dade is growing. Last year rail ridership increased 17%, our people mover increased 5% and special service for the handicapped increased 24%. And our bus ridership was up 11%.

The Federal Government must remain a partner in funding transportation solutions. And the transportation industry needs flexibility. Let local elected officials determine the best use of transportation funds, the mix of highway, transit and other transportation options.

Dade County is ready to go. We are about to finalize our transportation plan for the next twenty years. But the cost-feasible portion indicates that with current resources we can build 84% of our highway needs and 0% of our transit needs.

We're ready to commit our fair share. In November 1990, a one cent transit sales tax which would provide dedicated funding for existing and future transit projects will be presented to the voters of Dade County.

Transportation is in crisis in all sectors of our society. Mobility must be achieved through an ongoing partnership between Federal, state and local governments, as well as the private sector. There is no single solution. The problem is too massive. Working together is something this nation does best. And -- working together -- we may be able to find solutions for our transportation problems.


YEA, I SEE OLD MOE STUCK IN TRAFFIC AGAIN! ... THE JOB IS YOURS JOE!
HEY! WAIT FOR US HERE'S THE PROPOSAL!
PROPOSAL
FAST FAST HIGH SPEED
ENGINEERS 'MOE'
FLORIDA BOUND!
PRIME MOVER

REMARKS PREPARED FOR

THE WATER RESOURCES, TRANSPORTATION AND INFRASTRUCTURE SUBCOMMITTEE OF THE SENATE ENVIRONMENT AND PUBLIC WORKS COMMITTEE

FT. LAUDERDALE, FLORIDA
MONDAY, MARCH 19, 1990

BY
HARRY D. BERTOSSA, P.E., ASSOCIATE, HNTB
CHAIRMAN, FLA. INSTITUTE OF CONSULTING ENGINEERS
TRANSPORTATION COMMITTEE

REMARKS PREPARED FOR
THE WATER RESOURCES, TRANSPORTATION AND INFRASTRUCTURE SUBCOMMITTEE
OF THE
SENATE ENVIRONMENT AND PUBLIC WORKS COMMITTEE

FT. LAUDERDALE, FLORIDA

MONDAY, MARCH 19, 1990

Mr. Chairman -- It is a pleasure to present these comments to the Water Resources, Transportation, and Infrastructure Subcommittee of the Senate Environment and Public Works Committee. We, in Florida, sincerely appreciate your interest and your willingness to listen to our story.

The writer is a "Cracker" Engineer, reared and educated in Florida -- a "Gator" in every sense of the word. I have had the privilege of working with my colleagues in the public and private sector, and with the citizens of Florida over the past 35 years in fashioning a significant portion of the transportation system presently serving the State. The following remarks are offered on behalf of the Florida Institute of Consulting Engineers, free enterprise practitioners and taxpayers who represent an extensive store of knowledge and experience in matters related to Florida's transportation systems -- from the conceptual/planning stage to assistance with financing, design, construction, operation, and maintenance.

This occasion prompts me to share with you a Yoggi Berra story which aptly sets the stage for my comments: Yoggi's response at "His" night at Shea Stadium was to the effect -- "I wanna thank youse folks for making this night necessary".

My comments are centered on Issue Number Five as outlined in Senator Graham's letter dated March 6, 1990. Issue 5 states, "Transportation needs in urban states experiencing rapid growth and severe traffic congestion". First, I want to fuss a little about our growth, where we are, and where we're going.

Florida's Peculiar Challenge -- Growth, Growth, Growth ----. The seasonal influx of tourists has turned into year-round congestion. In my early days, living in the palmettoes on the west coast of Florida, my mother often leased the front rooms of our home to tourists. Of course, this always occurred, as best I remember, during the winter season when folks came south to get warm, wallow in the sand, and swim in the crystal clear surf along Pinellas County's beaches.

In the late 50's and early 60's, it seems Florida decided to promote and entice around-the-clock visitors. Well, it worked!

Florida's Leading and Largest Industry, Tourism. The advent of coordinated promotions between the Florida Department of Commerce (formerly the Florida Development Commission) and local economic development bodies, the construction of the Florida Turnpike, improvement of aviation facilities, the redevelopment of downtown areas, and the advent of major tourist attractions such as EPCOT, Walt Disney World, Sea World, Space Port U.S.A., Busch Gardens, and other facilities have generated astounding growth and attendant traffic demands.

In 1989, there were some 38,712,300 visitors to Florida -- 18,520,970 by air, 20,659,330 by auto. Those visitors arriving by air spent roughly 10 nights in Florida, and those arriving by auto some 17 nights. Once here, the bulk of these visitors use the automobile for access to the major attractions throughout the State. According to the Florida Department of Commerce, the top ten attractions in Florida are: 1) EPCOT; 2) Walt Disney World; 3) Sea World; 4) Space Port U.S.A.; 5) Busch Gardens; 6) Cypress Gardens; 7) Silver Springs; 8) Miracle Mile; 9) St. Augustine; and, 10) the Everglades. Both auto and air arrivals zero in on these attractions. It is interesting to note that many of the principal attractors are concentrated in the Central Florida area. This emphasizes the need for balance and the importance of funding transportation projects in selected corridors within the State according to need.

The growth of air routes in Florida generated by tourist activity has made it easy for business and industry to come to Florida, both domestic and foreign -- thus, further enhancing the State's growth activity and further compounding the traffic mess.

Florida is an Urban State. Until the early 1970's, Florida's transportation system generally kept pace with needs. Since then, population growth, changing demographics, and new development patterns have combined to strain the system to the breaking point. Some of the facts in 1989:

- 13 million residents and more than 38 million visitors.
- Two-thirds of our residents live in urban areas of 50,000 or more population.
- Six of the top ten growth areas in the Nation are in Florida -- most of this growth has occurred in the suburbs surrounding metropolitan sprawl.

Florida's population is forecast to reach 19,000,000 by the year 2010. The over 38 million tourists visiting Florida last year will nearly double in the next twenty years. Florida's residents cannot and should not be expected to provide all of the transportation needs for this explosion.

Other factors which intensify the challenge to Florida in attempting to provide for its transportation needs are the tough new environmental laws and the growth management laws designed to enhance and protect our unique and fragile quality of life. We Floridians support such thinking -- protecting the heritage and salvaging the charm of the State are wholly dependent upon it. These laws require that infrastructure be in place before the development brought on by growth demands.

Florida has historically been a "Donor" state, receiving back some 80% of the gasoline tax dollar we send to Washington, as estimated by the Florida Department of Transportation.

NEEDS

History and growth considerations have generated a list of concerns and quantifiable needs:

There are several broad areas of concern, including the need to:

- o Halt the deterioration of our transportation systems and begin to reduce the backlog of deficiencies.

- Promote consistency between state, regional, and local plans.
- Phase revenue enhancement over a reasonable period of time, but significant infusion is required immediately.

Lack of funding for transportation infrastructure generates the ripples of recession and hampers implementation of local governmental plans, as well as private developments. Further, the lack of sufficient dollars has a devastating effect on the transportation community, engineer and builder, alike. The busy transportation builder and a healthy economy are synonymous.

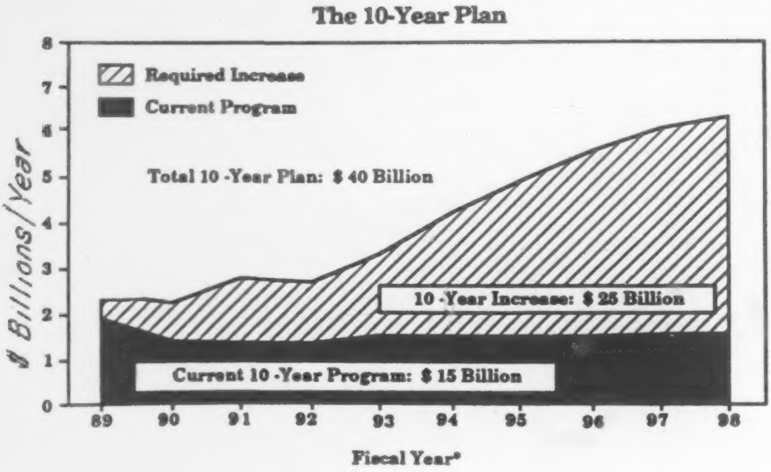
Florida's Strategic Plan -- NEEDS. The growth impact on Florida's transportation system is quantified in the 1988 Florida Strategic Transportation Plan. This plan, a reasonable document, outlines the direction and strategies to meet Florida's transportation needs. The plan has been reviewed and evaluated by the Floridians for Better Transportation, the Florida Institute of Consulting Engineers, and others. The Strategic Transportation Plan identifies Florida's highway and public transportation needs for a twenty year period, and sets out costs for the first ten years. See FIGURE ONE. In summary, these costs are:

$40 Billion required over the first ten years.

$15 Billion available from present revenue sources.

$25 Billion shortfall requiring new or expanded revenues.

FIGURE ONE -- 10-YEAR PLAN



Summary of 10-Year Needs

Needed Products	
Expressway Construction	$ 6.9 Billion
Arterial Highway Construction	4.9
Right-of-Way	4.8
Public Transportation	6.0
Highway Preservation, Safety & Bridges	5.5
Product Support (engineering, planning & administration)	8.4
Operations & Maintenance	3.7
TOTAL	$ 40.2 Billion

Source: Financing, Strategic Transportation Plan, FDOT, 1988

Action commensurate with the funding challenge is particularly important in Florida and, most certainly, the other urban states.

Action Needed. Florida is an urban state and has an unprecedented need for transportation improvements which must be financed by a combination of new Federal support formulas for distribution of Federal funds, new and expanded user fee and toll road funding programs, and the new kid on the block, the private, free enterprise system approach to the planning, design, and construction of needed transportation facilities.

WHAT TO DO

As indicated in the Florida Department of Transportation proposal, Transportation 2020 Ideas for the 21st Century, we must create new formulas to distribute Federal funds. For example, the present system utilizes land area and postal mileage. This system is antiquated and further encourages the "Donor" role Florida has played in past years. We support the following funding approaches, including the "SONS" and "FLEX" Funding to reallocate Federal funds as outlined in the 1990 FDOT 2020 report.

SONS Funding. The Florida Department of Transportation and AASHTO recommended that the SONS allocation formula use total statewide urban and rural vehicle miles of travel (VMT), total statewide urban and rural lane miles, and other "appropriate factors" for the state-by-state distribution of Federal funds.

FLEX Funding. FDOT and AASHTO recommend that FLEX funds be wholly allocated to each state in proportion to the highway user contributions to the Federal Highway Trust Fund that are attributable to each state.

Private Approach: With the need for rapid construction of highways, Florida should provide legislation to encourage newly conceived private free enterprise system approaches to finance design and build needed transportation facilities.

New and Expanded User Fee and Toll Road Funding Programs. These user fee and toll road programs should be augmented by Federal funding policies and dollars.

Closing Thought. Florida's tourism industry is of vital importance -- not only to the State of Florida, but to our American way of life. New and innovative international communications and commerce, as well as commerce and business throughout the United States, are finding Florida more and more attractive. The young and the young at heart are moving to permanent residence in Florida in heretofore unheard of numbers.

The creativeness, and opportunity brought on by the Space industry, Florida's tourist attractions and educational systems inspire young and old -- and will for the foreseeable future. Florida's transportation framework is out of step with our potential. We have the guns -- give us the ammunition.

Again, quoting Yogi, "Nobody goes there anymore, it's too crowded".

Thank you.

FLORIDA TRANSPORTATION BUILDERS' ASSOCIATION, Inc.

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POST OFFICE BOX 1208
TALLAHASSEE, FL 32302
TELEPHONE
(904) 942-1404
FAX
(904) 942-5632

Testimony

of

Robert G. Burleson
President

Florida Transportation Builders Association

Before

The Subcommittee on Water Resources, Transportation & Infrastructure

of the

Senate Environment & Public Works Committee
U.S. Senate

Ft. Lauderdale, Florida

March 19, 1990

Good morning, Mr. Chairman and members of the subcommittee. For the record my name is Robert G. Burleson and I am the president of the Florida Transportation Builders Association, which is based in Tallahassee, Florida.

I am pleased to present testimony today on the transportation needs of this nation and the relationship of the Surface Transportation Act of 1991 to meeting those needs.

FTBA has been representing Florida roadbuilders, material suppliers, equipment dealers, engineers and others involved in the transportation industry since 1953. We have appoximately 250 member firms.

I am also here today on behalf of the American Road and Transportation Builders Association (ARTBA) -- FTBA's national association. ARTBA has been providing Wasnington representation for the transportation construction industry since 1902. ARTBA's nearly 4,000 members nationwide hail from both the public and private sectors. ARTBA represents not only construction firms but also state and local transportation officials, manufacturers of equipment, consulting engineering and design firms, material and traffic safety device suppliers and educators in the fields of transportation planning and civil engineering.

Mr. Chairman, on behalf of our membership, thank you for inviting me to provide our views on future transportation needs, identification of problems in the current program, and proposals for new program structure and funding. At the outset, I will say that we believe that the financial decisions that the Congress makes next year in the transportation area will have a direct impact on the nation's economy and well-being long into the future.

America is built on mobility. Its vast size places a high value on the ability to move people and goods over both short and long distances in an economical and efficient manner. The American highway system, developed jointly by the federal and state governments, has had more to do with our quality of life and economic prosperity than any other single factor.

Today, America's federal highway system—the backbone of our national economy—is in serious trouble.

While this network of highways and bridges comprises only 22 percent of the nation's total road mileage, it carries 81 percent of all travel—more than 1.6 trillion miles per year.

According to the U.S. Department of Transportation's 1989 report to Congress, more than 28 percent of the bridges on the federal-aid system are either "structurally deficient" or "functionally obsolete." The same report states that more than 40 percent of the pavements on the federal-aid system are in "poor" or "fair" condition (See figures 1, 2 and 3).

The Deterioration of the Federal Highway System

Highway System Pavement Conditions

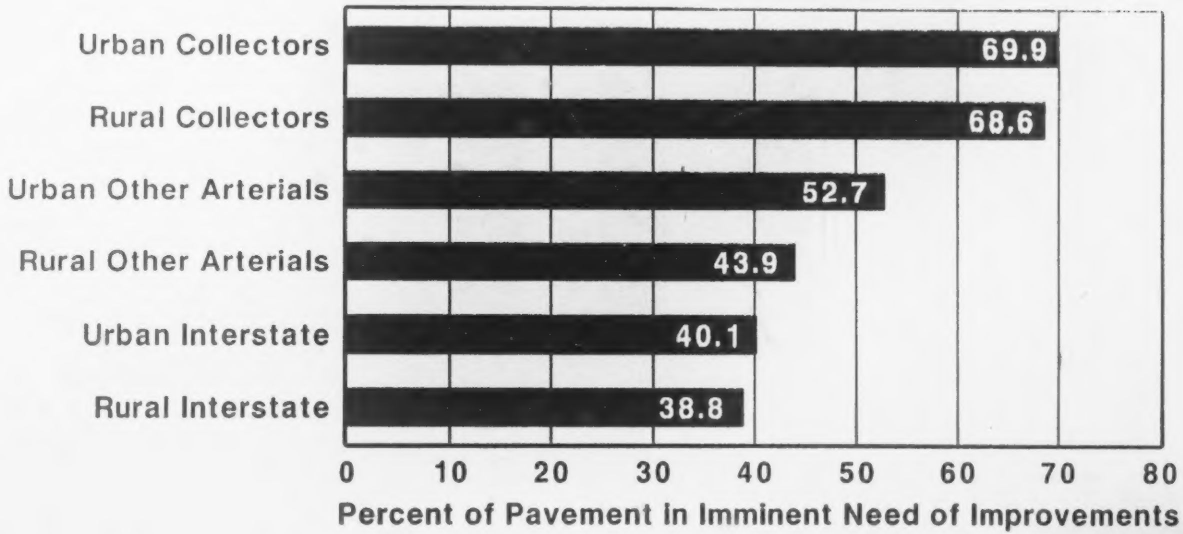

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Figure 1

The Deterioration of the Federal Highway System

Number of Deficient Bridges on
the Federal Highway System

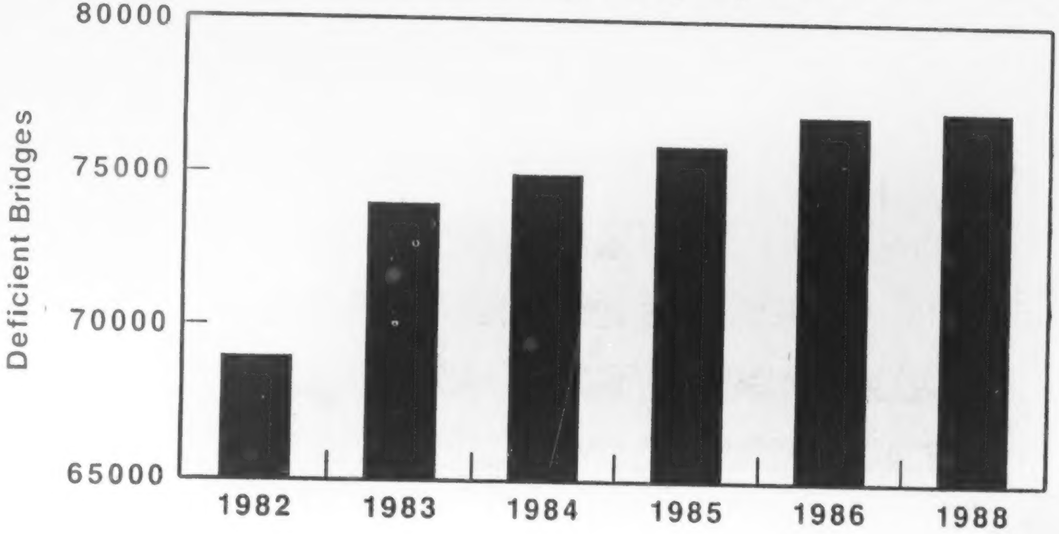

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Figure 2

The Deterioration of the Federal Highway System

Interstate Highway Bridges:
Percent Classified as Deficient

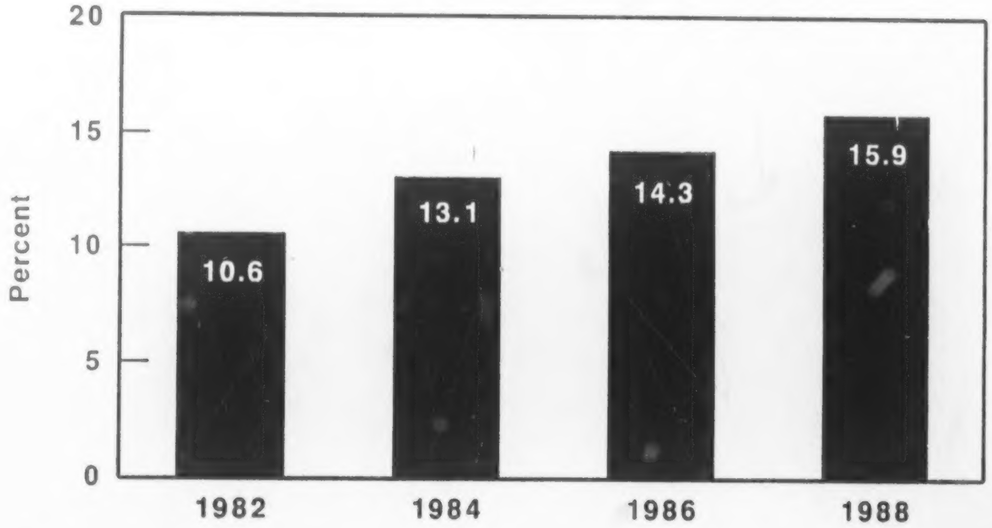

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Figure 3

This 1989 report and the Federal Highway Administration's 1988 publication, America's Challenge For Highway Transportation In The 21st Century, both state that meeting existing capital needs on the federal-aid system alone requires a $40 billion per year investment in transportation construction projects—a rate of spending substantially in excess of the current obligations for the Federal-aid Highway Program.

Meeting these quantified needs on the federal-aid system is one of the major financial challenges facing the nation. Failure to provide an adequate and useable highway system will have a profound effect on the quality of American life, our economic growth and development, and our ability to meet national defense requirements.

The Federal-aid Highway Program has been a driving force behind building a better America. The reauthorization of this federal program should foster continued opportunities for growth and development.

If the program's reathorization legislation does not address known needs in a meaningful way, the deterioration of the Federal-aid Highway System, which is becoming more apparent every day, will continue, placing the American economy in danger. Today, highway disrepair and congestion are contributing to increased economic costs, air pollution and wasted energy resources.

Americans continue to commute by private automobile. Such travel is up 17 percent since 1960 and contributes to significant rush hour congestion on 65 percent of Urban Interstate System mileage. The outlook for the future is not good. Traffic is projected to grow by two to four percent per year in the decade ahead.

According to federal statistics, the nation now wastes 1.25 billion hours and 1.38 billion gallons of motor fuels due to congestion on limited access highways each year. By the year 2005, that waste could soar to 6.9 billion hours in lost productivity and 7.32 billion gallons of squandered fuel.

Economists at the U.S. Department of Transportation estimate that if our highways are allowed to continue to deteriorate, by 1995 the U.S. economy could potentially miss out on increases of 3.2 percent in Gross National Product (GNP), 5.9 percent in disposable income, 2.2 percent in employment and 2.7 percent in manufacturing productivity.

Disinvestment caused much of our current problem (See figure 4). Total public capital expenditures for highways and bridges has dropped from 1.4 percent of GNP in the early 1960s to about 0.5 percent today. During this same period, traffic on the Federal-aid Highway System has increased five fold.

Inflation has also been a hidden factor. Between 1959 and 1988, the U.S. inflation rate, as measured by the Consumer Price Index, rose slightly over 300 percent. The highway user fees supporting the Highway Trust Fund and paying for highway improvements increased by only 100 percent (See figure 5).

The Disinvestment of the Nation's Transportation Infrastructure

Total Public Expenditures for Highways, Streets, Roads and Bridges

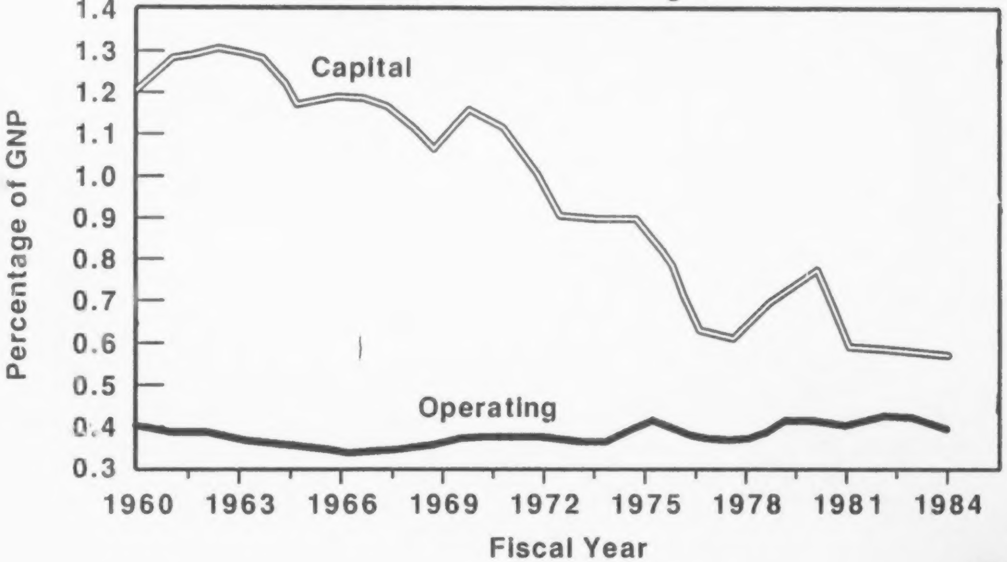

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Figure 4

Inflation's Impact on the Federal Highway Program

Inflation Versus the 1959 Highway User Fee (Gasoline)

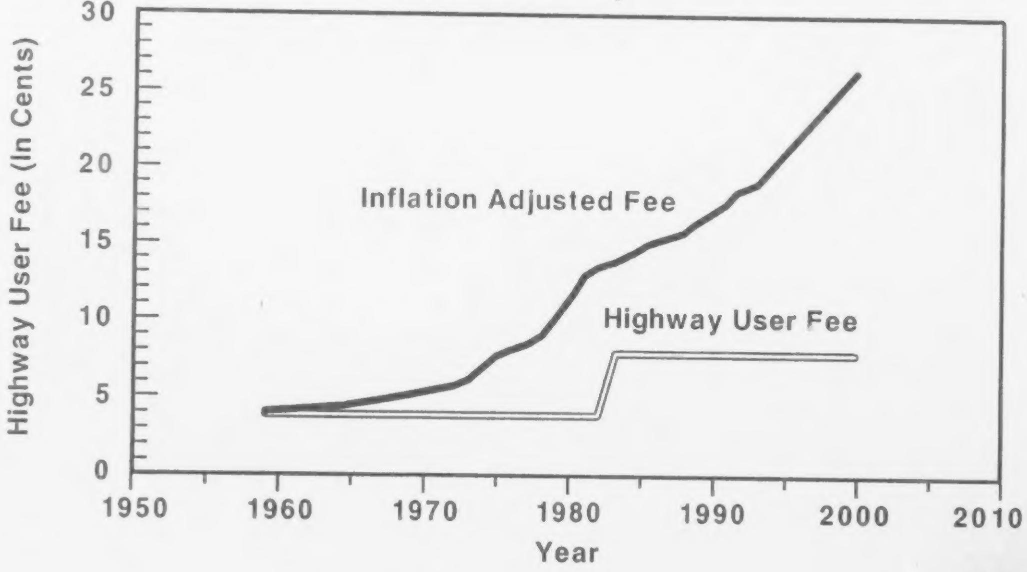

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Figure 5

Assuming a moderate future inflation rate of four percent per year, the federal gasoline user fee would have to increase to 26 cents-per-gallon by the year 2000 just to maintain its 1959 purchasing power.

What should be done? The solution to our highway problem is obviously: we must begin investing in the future. Providing adequate resources is the key.

One alternative is to spend the current cash balance in the Highway Account of the Highway Trust Fund to address the call for greater highway improvement expenditures. But how far will that $10 billion balance go?

An examination of the language of the Highway Revenue Act authorizing the Highway Trust Fund shows that deficit spending in this fund is prohibited. Since the entire balance cannot be spent, the portion that is available, between $5 and $8 billion, will not significantly increase the current program.

Apogee Research, a leading public works consulting firm based in Washington, has developed a computer model for ARTBA which allows a review of possible program funding scenarios and their effect on the trust fund balance and program spend out. We will share this information with the subcommitee and its staff as it is developed.

The Florida Transportation Builders Association believes the reauthorization bill drafted by this subcommittee should provide $40 billion per year for highway and bridge improvements. This authorization level should commence in 1992 and continue for a minimum of five fiscal years thereafter. Such a program level is totally consistent with the needs identified by the U.S. Department of Transportation referred to earlier in our testimony.

To authorize and carry-out a program of this magnitude, we recommend that the Congress:

• Ensure that all federal highway user fee revenue contributed to the Highway Trust Fund—plus interest earned on that money—is spent in a timely manner. A drawdown in the trust fund's current $10 billion-plus cash balance should begin during the next fiscal year.

• Remove the Federal-aid Highway Program from the Unified Federal Budget in order to ensure that revenues are not impounded or withheld in the future.

• Increase the federal highway user fees—effective in fiscal year 1992—to raise the additional $25 billion per year that is necessary for a $40 billion per year federal program of highway improvement assistance.

• No longer impose artificial obligation ceilings on the expenditure of federal highway funds.

- Repeal the current six cents-per-gallon federal tax exemption on gasohol sales for highway vehicle usage (which causes an estimated $500 million per year loss to the Highway Tnust Fund); and

- Tighten federal highway motor fuels collection procedures.

These actions would assure that future generations have a highway system on which they can build. The historic role of the federal government in the development and upkeep of a national highway network should be maintained.

There is no question that the federal government has a clear role to play in the development and upkeep of a national system of highways and bridges. The federal responsibility is defined by the Constitutional mandates to regulate commerce among the states and with other nations, provide for the national defense, and safeguard the public health.

The user fee principle that has guided the financing of our national highway transportation program has contributed to its success. Highway users recognize the importance of well-maintained highways and bridges. They also realize that continued expenditures must be made in order to maintain system performance at an acceptable level. Over the years, motorists have shown a willingness to pay appropriate user fees —if they are used for their intended purpose. (See figures 6 and 7)

Recent surveys of the American public and U.S. business leaders indicate that this view is still held. In work done by Apogee Research for the Transportation Research Board, the public said overwhelmirlgly that they would pay higher gasoline user fees for improved highways. In a poll taken at the 1989 U.S. Chamber of Commerce annual meeting, business leaders from across the nation expressed overwhelming support for more federal expenditures for highways, recognizing that higher motor fuel taxes are necessary.

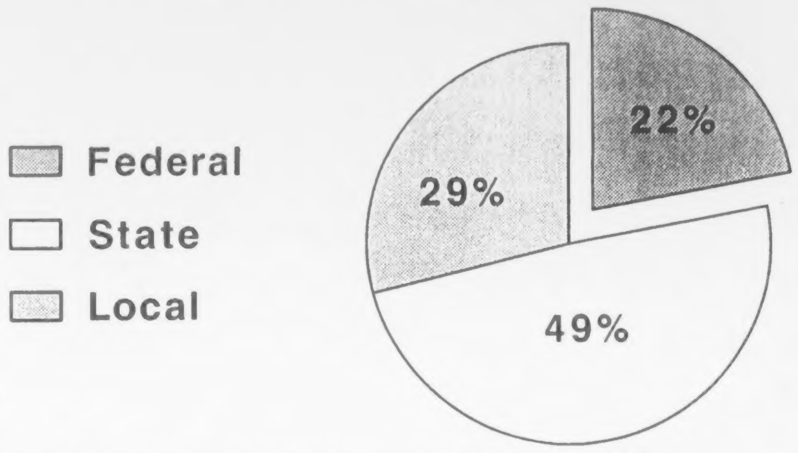
Consistent with our recommendation for increased funding, FTBA and ARTBA also believe that the working partnership between the federal government and the states, which is the basis of the existing federal-aid program, must be continued.

Some have suggested that state and local governments should be responsible for raising revenue to meet future needs for rebuilding and expanding our highway system. In fact, over the last 20 years, federal support for improvements has declined over 20 percent in constant dollars.

While the federal interest has continued, state governments have worked to increase state revenues for highways to keep the system from futher deterioration.

Now is the time to re-establish the true meaning of the federal-aid highway partnership and to live up to the federal commitment to adequately fund improvements on highways and bridges significant in meeting transportation responsibilities.

National Highway Revenue Receipts: 1987



The Federal Share of National Highway Revenue Receipts Has Been Decreasing Since 1985 and in 1987 Reached the Lowest Mark in 27 Years (22 Percent).

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Figure 6

The Federal Highway User Fee Represents Less Than 1% of the Total Annual Transportation Spending by the Average American Consumer

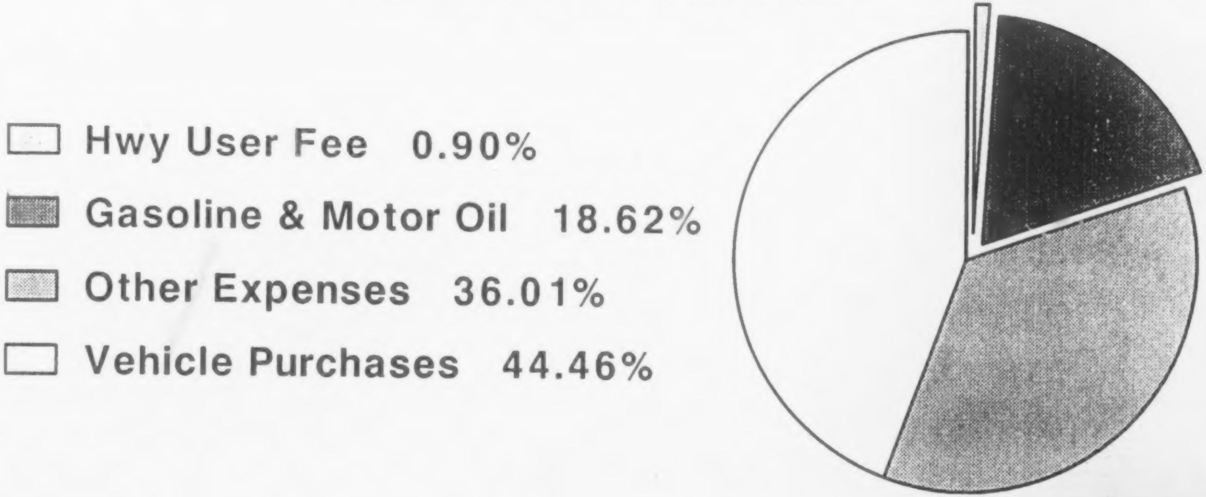

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Figure 7

The unwillingness of the federal government to raise and spend sufficient funds to maintain system performance has resulted in a program that is not fully meeting identified needs. Now is the time for bipartisan leadership in this area if we are to meet our future transportation demand.

While public, user fee supported financing should remain the keystone of our national highway improvement program, no financing option should be ignored. ARTBA sponsored a conference in 1989 on "Public/Private Ventures in Transportation" to review this opportunity for other funding mecnanisms to meet transportation needs.

Public/private ventures have long been successful in other countries and are gaining support in this country. They must be explored and implemented where appropriate.

Proper investment is the key to meeting future highway needs. With our views on record as to investment and the method of meeting this investment requirement, let me turn to FTBA's views regarding program structure and allocation of resources.

A FEDERAL HIGHWAY PROGRAM FOR THE FUTURE

With a $40 billion per year federal investment, America CAN meet its highway and bridge capital requirements for the next century. Here's how that money could be put to work to restore—and expand—our national highway system.

COMPLETING THE INTERSTATE HIGHWAY SYSTEM

The 42,797-mile Interstate Highway System accounts for only 5.2 percent of the federal network mileage, yet carries 27 percent of the traffic. It's clearly the backbone of our national surface transportation system.

Construction on this system began in 1956. Today, 98 percent of the system is open to traffic. According to the Federal Highway Administration, an additional $5 billion is needed for completion. Let's finish the job!

FTBA Recommendations:

- Fund completion of the full Interstate Highway System with a one-time final authorization of $5 billion. Since actual use of these funds would be spread over several years, an allowance for inflation should also be provided.

- To be eligible for these funds, however, Congress should require that construction on all remaining projects begin no later than September 30, 1996. Additionally, adequate funds should be made available under the "Advance Construction/Interstate Program" to fully repay all states that have used this option.

PROTECTING THE INTERSTATE HIGHWAY INVESTMENT

Highway users have invested more than $100 billion in the Interstate Highway System, making it perhaps the nation's greatest physical asset. Today, however, more than 40 percent of the pavement mileage on the Interstate System is below minimum engineering standards. Let's protect our investment!

The Federal Highway Administration says that an annual investment of up to $6.1 billion is necessary just to maint?in 1985 conditions on the Interstate System.

FTBA Recommendations:

- Initiate a major Interstate rebuilding program by authorizing a $6.6 billion per year Interstate 4-R program of resurfacing, restoration, rehabilitation and reconstruction. Assure that the latest in pavement design technology is utilized in this effort to maximize the return on investment. I-4 from Daytona to Tampa and I-75 from the Georgia line to Tampa are prime examples of the need.

- Authorize an additional $600 million per year for Interstate 4-R discretionary programs, with $200 million per year allocated to fund unusually high-cost bridge projects on the system.

- Set the federal/state funding ratio for Interstate "4-R" at 90/10, including projects to add new lanes or construct essential new interchanges.

- Ensure that any future additions to the Interstate System are automatically eligible for 4-R funding and maintain existing provisions in law which allow the transfer of new construction funds to 4-R work.

- Give states the flexibility to transfer up to 50 percent of their share of "4-R" funding to projects in other program categories of national importance, provided that the state can satisfy the U.S. Department of Transportation that its Interstate mileage is being adequately maintained.

REBUILDING OUR BRIDGES

More than 238,000—or about 40 percent —of the nation's bridges are either "structurally deficient" or "functionally obsolete," according to the U.S. Department of Transportation. As noted previously, 28 percent of these bridges are on the federal system.

The inherent safety problems and economic displacements posed by deficient bridges demands that repairing them become a national priority of the highest order.

The Federal Highway Administration says that $50.7 billion is needed to rehabilitate or replace all deficient bridges on the federal system.

FTBA Recommendations:

- Require each state to develop a plan that systematically addresses their bridge problems and assigns highest priority to repairing or replacing structurally deficient structures.

- Authorize $5 billion per year to repair the nation's bridges. While this funding should be directed primarily toward bridges on the federal-aid system, allow offsystem bridges to remain eligible for federal funding with certain restrictions as permitted under current law.

- Allocate bridge rehabilitation funds on a"cost-to-complete" basis (continue the current one-quarter percent minimum, 10 percent maximum formula).

- Set the federal/state funding ratio at 90/10. Do not allow a state to transfer bridge funding to other program categories unless it can demonstrate to the U.S. Department of Transportation that it is pursuing a program that specifically addresses structurally deficient bridges as a priority.

CREATING A REGIONAL PRIMARY SYSTEM

This 258,120-mile system is the nation's second most important network of highways. It serves as a collector system for the Interstate and services traffic in corridors not on Interstate routes. The Primary System currently handles 29 percent of the nation's traffic mileage.

The Federal Highway Administration says that an annual investment of up to $6.7 billion is necessary just to maintain 1985 conditions on the Primary System.

FTBA Recommendations:

- Make the Primary System a truly regional road network by changing the definition of the type of mileage that is eligible for inclusion. The reduced system would include only routes of national significance that meet interstate and inter-regional traffic needs.

- Provide $6 billion per year to rehabilitate the Primary System and upgrade as many of these routes as possible to near-Interstate standard. Set the federal/state funding ratio at 90/10 and give states with well-maintained Primary routes the flexibility to transfer up to 50 percent of their Primary funding to other program categories.

RELIEVING TRAFFIC CONGESTION

Anyone who lives in an urban/suburban area knows traffic congestion firsthand. Florida has been particularly impacted. We have 900 new residents each day moving into the state. Florida is the only state to have more registered vehicles than people - 12 cars for every 10 people. Add to this an incredible number of tourists and you see that congestion is a big problem for us. Without improved traffic management and added capacity the situation will only get worse. A new national program is needed to address this problem.

The Federal Highway Administration says that an annual investment of up to $7.4 billion is necessary just to maintain 1985 conditions on the Urban System.

FTBA Recommendations:

- Create a "Metropolitan Area Transportation Assistance Program,"funded at $4.5 billion per year, to help alleviate traffic congestion in urban/suburban areas with 50,000+ population. The program envisioned would direct federal funds to projects that are part of strategic regional plans that attack congestion. Projects funded under this program would include road and bridge capacity improvements, roadway rehabilitation projects that improve traffic flow, creation of "High Occupancy Vehicle" (HOV) and exclusive bus lanes, implementation of freeway surveillance, incident response systems and "smart highway" computer technology.

- Set the federal/state funding ratio at 70/30 and require that eligible routes be on the federal system. Give states flexibility in designating routes to be included in urban areas.

STIMULATING ECONOMIC GROWTH WITH NEW TRANSPORTATION CORRIDORS

The demographics of the United States have changed dramatically since the plans for the Interstate Highway System were drawn over 40 years ago. Many distant "suburbs" now provide more jobs than the major cities linked by the current Interstate System. Population shifts, particularly to the South and West, have created unprecedented demand for new transportation service. It's time the federal highway program recognized—and assisted—these emerging economic centers.

FTBA Recommendations:

- Create a "New Transportation Corridors Program," funded at $3.5 billion per year, to assist high-growth areas not currently served by the Interstate System. The program would be aimed at building new highways—and upgrading existing ones to near-Interstate standard—to provide capacity for the increased traffic volume that is associated with emerging economic centers. Eligibility for participation in the program would be based on criteria such as population growth rate, measurable economic activity and potential for further economic growth.

- Set the federal/state funding ratio for the "New Transportation Corridors Program" at 70/30.

MOBILIZING RURAL AMERICA

With a redefined—and smaller—federal Primary System, an expanded Secondary Highway System would assume even greater importance. This system, which now includes 398,328 miles of highway in rural America, provides the vital farm-to-market and small community-to-market transportation link that is so important to the nation's economy and well-being.

The Federal Highway Administration says that an annual investment of up to $1.7 billion is necessary just to maintain 1985 conditions on the Secondary System.

FTBA Recommendations:

- Provide $5 billion per year for an expanded rural highway support program.

- Set the federal/state match for this program at 70/30.

IMPROVING HIGHWAY SAFETY

While there have been significant advances in highway design, safety equipment and signage over the past several decades, the carnage on our nation's highways continues. In 1989, more than 45,000 Americans were involved in highway fatalities and another three million were injured in traffic accidents. Clearly a more aggressive effort to improve highway safety is warranted.

FTBA Recommendations:

- Increase federal highway safety funding to $2 billion per year, continuing all categorical safety programs that are in current law.

- Initiate a federal study of highway signage and traffic safety devices to determine the need to rehabilitate or upgrade such devices on the federal system to incorporate new technologies.

- Provide funds to improve worker and motorist safety in highway construction areas.

- Require that products and services that enhance safety and improve traffic operations be included criteria for all federal "3-R" and "4-R" programs.

INVESTING IN RESEARCH

Every effort must be made to ensure that we receive maximum benefit from every dollar invested in highway capital improvements. Greatly increased emphasis must be placed on public and private highway research and development programs.

FTBA Recommendations:

- Authorize $2 billion per year to support expanded federal highway research programs.

- Encourage—through special tax incentives and other means—private sector research and development projects that have the potential to improve the quality, durability, safety and operation of our highways and bridges.

OTHER ISSUES

In our view, as part of its highway program reauthorization legislation, Congress should also take action to:

- Make the federal Highway Trust Fund permanent.

- Ensure that each state receives back at least 90 percent of the revenue that it contributes to the Highway Trust Fund. This is a particularly important issue to "donor" states such as Florida that currently receive back 80 - 85 cents for each dollar sent to Washington.

- Levy user fees on all motor fuels—including gasohol—in an amount at least equal to that levied on gasoline to ensure that adequate highway improvement funds are available.

- Expand the Federal Lands Program to $1.5 billion per year.

- Provide greater flexibility in the co-mingling of federal assistance and toll revenue to finance capital improvements on toll facilities.

- Provide $500 million per year for emergency relief.

- Revise the federal Disadvantaged Business Enterprise program to ensure that it is aiding firms that are truly in need of assistance.

IT'S AN INVESTMENT IN THE FUTURE

America is literally at a crossroad. We can continue to ignore our serious and growing highway and bridge problems. Or we can choose to make the investment —about $40 billion per year—that is necessary to rebuild and expand our national highway network to meet future demands.

Good roads save lives. Improve productivity. Enhance competitiveness. And reduce pollution-causing, energy-wasting traffic congestion. In short, they're an investment in the future.

Together, let's build a better America through transportation. The time to act is NOW!

FEDERAL HIGHWAY PROGRAM FUNDING RECOMMENDATIONS

(Per Fiscal Year)

Interstate Construction*	$1.0 Billion
Interstate 4-R	$6.6 Billion
Interstate 4-R Discretionary	$0.4 Billion
Bridge Rehabilitation & Replacement	$5.0 Billion
Primary System	$6.0 Billion
Metropolitan Area Assistance Program	$4.5 Billion
New Transportation Corridors	$3.5 Billion
Secondary/Rural System	$5.0 Billion
Highway Safety	$2.0 Billion
Federal Highway Research Programs	$2.0 Billion
Minimum Allocation Program	$2.0 Billion
Federal Lands Program	$1.5 Billion
Emergency Relief	$0.5 Billion
TOTAL	$40 Billion

* The authorization for the Interstate Construction program is currently $3.15 billion and $1.4 billion, respectively, for Fiscal Years 1992 and 1993 by the *Surface Transportation and Uniform Relocation Assistance Act of 1987.* ARTBA recommends an additional appropriation of $1.75 billion in FY 1993 and $3.25 in FY 1994 to complete the Interstate Highway Program.

UNDER CURRENT FORMULAS AND MATCHING RATIOS WHAT A $40 BILLION PER YEAR FEDERAL HIGHWAY PROGRAM WOULD MEAN TO THE STATES

(Millions of Dollars)

STATE	Increase in Federal Grants	STATE	Increase in Federal Grants
AL	501.2	MT	110.0
AK	45.6	NE	203.9
AR	384.3	NV	137.5
AZ	318.9	NH	104.9
CA	2729.8	NJ	793.9
CO	324.1	NM	196.5
CT	306.1	NY	1244.7
DE	78.1	NC	756.5
DC	33.5	ND	89.7
FL	1274.3	OH	1115.0
GA	863.8	OK	408.5
HI	67.9	OR	239.9
ID	112.0	PA	1079.4
IL	1051.3	RI	86.4
IN	673.5	SC	388.0
IA	331.3	SD	93.3
KS	319.9	TN	652.4
KY	439.9	TX	1992.7
LA	458.1	UT	168.7
ME	151.4	VT	63.9
MD	465.7	VA	691.1
MA	525.2	WA	481.9
MI	894.3	WV	195.4
MN	442.3	WI	481.4
MS	321.6	WY	114.7
MO	637.2	NAT	25641.3

Source: Apogee Research
Bethesda, Maryland

Mr. Chairman, before I close, a comment about the fiscal year 1991 budget proposal for the Federal-aid Highway Program is in order. The budget recently sent to Congress by President Bush calls for an obligation limitation of $12.0 billion for highways. This is a seven percent reduction from the fiscal year 1990 level after sequestration and the budget compromise.

This appears to be a step backward when the talk is for a forward-looking program. The "National Transportation Policy" enunciated by Secretary Skinner 11 days ago, certainly does not talk about a reduction in the federal commitment. It talks about at least maintaining our current commitment.

The FY 91 budget must then be reviewed in the context of a need to increase the obligation limitation to at least last year's level, but preferably to a level reasonable under the 1987 Surface Transportation and Uniform Relocation Assistance Act—$15.0 billion. This level can be achieved by using all revenue accruing to the trust fund annually, interest earned on the trust fund balance, and prior year authorizations constrained by annual obligation limitations.

Thank you, Mr. Chairman, for the opportunity to present the views of the Florida Transportation Builders Association on future federal highway assistance. I stand ready to answer any questions that you or subcommittee members may have.

STATEMENT OF THE FLORIDA HIGHWAY USERS FEDERATION THE SUBCOMMITTEE ON WATER RESOURCES, TRANSPORTATION, AND INFRASTRUCTURE TO THE U. S. SENATE ENVIRONMENT AND PUBLIC WORKS COMMITTEE.

PRESENTED BY DENNIS EMERSON, EXECUTIVE COMMITTEE MEMBER
FLORIDA HIGHWAY USERS FEDERATION

MARCH 19, 1990

THANK YOU MR. CHAIRMAN, MY NAME IS DENNIS EMERSON, I'M DIRECTOR OF FIELD SERVICES FOR FLORIDA FARM BUREAU, BUT I'M SPEAKING TODAY ON BEHALF OF THE FLORIDA HIGHWAY USERS FEDERATION EXECUTIVE COMMITTEE, OF WHICH I'M A MEMBER. THE HIGHWAY USERS FEDERATION IS A LEAGUE OF STATEWIDE BUSINESS AND TRADE ASSOCIATIONS WHICH HAVE A COMMON GOAL AND OBJECTIVE OF IMPROVED HIGHWAY TRANSPORTATION SYSTEMS FOR OUR STATE AND NATION.

TWO YEARS AGO OUR NATIONAL AFFILIATE, THE HIGHWAY USERS FEDERATION FOR SAFETY AND MOBILITY, CONDUCTED HEARINGS ACROSS AMERICA TO DETERMINE THE PRIVATE SECTOR'S NEED AS IT RELATES TO TRANSPORTATION. THIS EFFORT WAS CALLED "TRANSPORTATION 2020." THE RESULTS WERE COMPILED, AND A NINE-POINT PROGRAM EMERGED. THE ADMINISTRATION'S TRANSPORTATION POLICY AS RECENTLY PUBLISHED, MIRRORS MANY OF THE SAME CONCLUSIONS AS OUR OWN.

ONE OF THE KEY POINTS WE WISH TO PROJECT IS THAT THE FEDERATION HIGHWAY TRUST FUND SHOULD BE MAINTAINED AS NOW CONSTITUTED AND NO DIVERSION OF THESE HIGHWAY FUNDS TO NON-HIGHWAY RELATED PURPOSES SHOULD BE PERMITTED. WE OPPOSE INCREASING HIGHWAY FUEL TAXES FOR DEFICIT REDUCTION PURPOSES. WE ALSO FAVOR REMOVING THE HIGHWAY TRUST FUND FROM THE UNIFIED FEDERAL BUDGET.

IN REFERENCE TO THE INTERSTATE SYSTEM...WE FEEL STRONGLY THAT FUNDING FOR THIS 42,800 MILE BACKBONE OF AMERICA BE PROTECTED. THE INTERSTATE'S PHYSICAL CONDITION MUST BE KEPT SERVICEABLE THROUGH A CONTINUOUS PROGRAM OF THE 4-R ACT (RESURFACING, REHABILITATION, REPAIR AND RECONSTRUCTION). FEDERAL AND STATE AUTHORITIES WOULD ALSO AGREE ON GRADUAL ADDITIONS TO THE INTERSTATE HIGHWAY SYSTEM WHERE APPROPRIATE.

IN ADDITION TO THE INTERSTATES, ANOTHER 3 TO 4% OF THE NATION'S HIGHWAYS SERVE 30% OF TRAVEL. THE NATION NEEDS A PROGRAM TO UPGRADE THESE PRIORITY ROUTES WITHIN AND BETWEEN ECONOMIC DEVELOPMENT AREAS WITH SAFER DESIGNS, CONTROLLED ACCESS, ADDED LANES WHERE NEEDED, AND NEW, HIGH QUALITY BY-PASSES AND ARTERIALS IN GROWTH AREAS. FLORIDA IS A HIGH GROWTH STATE AND GROWTH OF ARTERIAL SYSTEMS WILL BECOME MORE IMPORTANT THAN EVER.

ACCESS TO MAJOR HIGHWAYS IS CRITICAL TO MILLIONS OF AMERICANS LIVING ON FARMS AND IN SMALL CITIES. ALTHOUGH ANNUAL TRAFFIC VOLUMES ARE SMALL, TOTAL MILES ON RURAL ROADS ARE LARGE. THESE ROADS ARE CRITICAL TO MAINTAINING THE FLOW OF PRODUCTS FROM FARMS AND RANCHES TO CONSUMERS EVERYWHERE. LOCAL AND STATE GOVERNMENTS CANNOT HANDLE THE RURAL MOBILITY JOB ALONE. THEY DESERVE HELP TO KEEP RURAL ROUTES AND BRIDGES IN GOOD AND SAFE CONDITION. FLORIDA IS ONE OF THE LARGEST AGRICULTURAL PRODUCING STATES IN THE NATION AND APPROXIMATELY 96% OF FLORIDA GROWN FRUIT AND VEGETABLES ARE TRANSPORTED ON OUR HIGHWAY SYSTEM. ANY DISRUPTION OF THE TRANSPORTATION SYSTEM IS MOST CERTAINLY REFLECTED IN THE

PRICES THAT OUR AGRICULTURAL PRODUCERS RECEIVE FOR THEIR COMMODITIES. FLORIDA AGRICULTURAL PRODUCERS ARE AMONG THE MOST EFFICIENT IN THE WORLD, BUT ALL THAT PRODUCTION IS OF LITTLE VALUE IF WE ARE UNABLE TO MOVE IT TO MARKET IN A TIMELY, ECONOMICAL AND EFFICIENT MANNER. WE STRONGLY SUPPORT RE-AUTHORIZATION OF ADEQUATE FUNDING TO GIVE THE SECONDARY ROAD AND BRIDGE SYSTEM A PRIORITY.

BRIDGES ARE VITAL TO ALL ROAD SYSTEMS. A BRIDGE OUT OF SERVICE, OR UNSAFE FOR NORMAL SERVICE, CREATES A MAJOR DISRUPTION. IN FLORIDA, WE ARE TOLD THAT ONE OF EVERY FOUR BRIDGES NEED REPAIRS. UNLESS THE FEDERAL PROGRAM COMES TO OUR AID, THIS CONDITION WILL ONLY GET WORSE. MANY OF OUR BRIDGES WERE CONSTRUCTED PRIOR TO 1940 AND CANNOT HANDLE THE INCREASED WEIGHT AND WIDTH OF TODAY'S TRUCKS, BUSES, MACHINERY, ETC. WE SUPPORT EFFORTS TO ASSURE PROPER INSPECTION, MAINTENANCE AND REPAIR OF ALL BRIDGES, REGARDLESS OF GOVERNMENTAL RESPONSIBILITY. THE LONGER THAT MAINTENANCE IS DEFERRED, THE HIGHER THE EVENTUAL COST OF RESTORATION WILL BE.

ONE AREA IN WHICH OUR FEDERATION FEELS STRONGLY IS THE NEED TO PLACE ADDITIONAL ATTENTION AND FOCUS ON RESEARCH. DOLLARS SPENT ON RESEARCH CAN RETURN BIG DIVIDENDS IN BETTER HIGHWAY OPERATIONS. ADDITIONAL FUNDING SHOULD BE PLACED AT OUR COUNTRY'S UNIVERSITIES AND RESEARCH INSTITUTIONS TO CONCENTRATE ON ELECTRONIC BASED TECHNOLOGY TO MAKE OUR HIGHWAY SAFER AND MORE EFFICIENT...FOR EXAMPLE...ELECTRONIC AIDS THAT WOULD WARN THE

MOTORIST OF DELAYS, HAZARDS, GIVE LOCATIONS, AND PROVIDE DESTINATION HEADINGS DESPITE WEATHER AND TRAFFIC CONDITIONS. THE FLORIDA SENATE TRANSPORTATION COMMITTEE RECENTLY HEARD A TRANSPORTATION PLANNER TESTIFY THAT THIS TYPE TECHNOLOGY WOULD INCREASE THE CAPACITY OF FLORIDA HIGHWAYS TENFOLD.

MR. CHAIRMAN, IN SUMMARY, AMERICA NEEDS A SOUND HIGHWAY PLAN FOR THE FUTURE. WE'RE A HIGHLY MOBILE SOCIETY...WE DEPEND UPON OUR TRANSPORTATION SYSTEM FOR FOOD, WORK, RECREATION AND ALMOST EVERYTHING WE DO. WE'RE FALLING BEHIND ON THE 4-R'S (RESTORATION, REHABILITATION, RESURFACING, AND RECONSTRUCTION). WE NEED TO PUMP MORE FEDERAL AND PRIVATE MONIES INTO RESEARCH AND DEVELOPMENT...WE NEED TO ENSURE THAT OUR SECONDARY AND RURAL ROADS ARE PROPERLY OPEN AND MAINTAINED...THAT OUR BRIDGES BE PROPERLY INSPECTED, MAINTAINED, REPAIRED AND BROUGHT UP TO A SAFETY LEVEL THAT MEETS TODAY'S STANDARDS...THERE ARE MANY OTHER AREAS OF CONCERN SUCH AS ENVIRONMENTAL QUALITY, CLEAN AIR STANDARDS, SCENIC AND RECREATIONAL ROADS, ETC., BUT TIME WILL NOT ALLOW COMMENT IN THOSE AREAS.

WE FEEL STRONGLY THAT A LARGE FINANCIAL INFUSION AND INVESTMENT INTO A WORKABLE TRANSPORTATION PLAN IS ESSENTIAL...WE ALSO FEEL IT CAN BE ACCOMPLISHED WITHOUT RAISING FEDERAL HIGHWAY USER TAXES FOR SEVERAL YEARS. WE RECOMMEND SPENDING DOWN THE TREMENDOUS SURPLUS BEING HELD IN THE FEDERAL HIGHWAY TRUST FUND...BUT I HASTEN TO ADD...THIS SPENDING SHOULD BE STRICTLY HIGHWAY RELATED. WE FEEL CONGRESS MUST RELEASE THIS MONEY AND PROVIDE IT TO STATE

AND LOCAL OFFICIALS FOR NEEDED ROAD WORK. MR. CHAIRMAN, WE PLEAD WITH CONGRESS TO REMOVE THE TRUST FUND FROM THE UNIFIED BUDGET AND ALLOW A SPEND DOWN.

MR. CHAIRMAN I COMMEND YOU FOR CONDUCTING THESE HEARINGS. I THINK IT'S THROUGH CONCERNED EFFORTS FROM LEADERS SUCH AS YOURSELF AND YOUR DISTINGUISHED COMMITTEE MEMBERS THAT THE FUTURE OF OUR TRANSPORTATION SYSTEM WILL FLOURISH. I THANK YOU FOR THE OPPORTUNITY TO PRESENT OUR VIEWS.

United States General Accounting Office

GAO

Testimony

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Issues to Be Considered During Deliberations To Reauthorize the Federal-Aid Highway Program

Statement of
John W. Hill, Jr.
Associate Director, Transportation Issues
Resources, Community, and Economic
Development Division

Before the
Subcommittee on Water Resources,
Transportation, and Infrastructure
Committee on Environment and Public Works
United States Senate

GAO/T-RCED-90-50

GAO Form 160 (12/87

Mr. Chairman and Members of the Subcommittee:

We appreciate the opportunity to testify on issues this Subcommittee will deliberate as it begins the legislative process to reauthorize a possible $70 billion, 5-year, federal-aid highway program. The Congress faces difficult decisions on how best to spend available federal dollars to meet highway and bridge needs. However, the federal government cannot be expected to meet these transportation challenges alone. Federal, state, and local governments must all find new and better ways to address the nation's transportation problems.

Our testimony today will focus on our work that parallels several issues to be considered by this Subcommittee. In summary, our work to date has shown that:

-- Increased funding will be needed for the Interstate 4R Program (restoration, resurfacing, rehabilitation, and reconstruction).

-- Projected Highway Trust Fund revenues are expected to exceed authorized commitment levels.

-- Tolls are a viable, alternative revenue source that can provide states with additional funds to meet their highway needs.

-- The Combined Road Plan demonstration block grant is allowing states increased flexibility to target spending to their priority needs.

-- State highway laws vary in the degree to which they parallel federal statutes. In this regard, there are options available if Congress decides to relax state compliance with federal laws on environmental protection, prevailing wage, minority contracting, and highway design.

I would like to discuss each of these issues in more detail, starting with our work on the Interstate 4R program.

INTERSTATE 4R NEEDS ARE INCREASING

Although construction of the Interstate component of the federal-aid highway system is nearly complete, continual attention is needed to preserve the nation's investment in the Interstate System. The Administration's national transportation policy [1] endorses the need to preserve the nation's transportation facilities and provides that federal-aid highway programs will emphasize capital maintenance. The Interstate System represents only 1 percent of all road mileage, but it accounts for over 20 percent of the total vehicle miles driven. The Congress recognized the need to protect this investment in the 1987 reauthorization, when it provided, through fiscal year 1992, an annual funding level of $2.8 billion for the Interstate 4R Program. This level, however, falls considerably short of what is presently needed to preserve the system. According to the Department of Transportation (DOT), 4R needs are expected to run between $4.7 billion and $6.1 billion annually, or a total of between $88.6 billion and $116.4 billion, through 2005, just to maintain 1985 road conditions.

According to our preliminary analysis of these estimates, 3/4 of these funds will be needed to improve existing road conditions and to add approximately 10,000 lane miles. The remaining funds will be needed to address future repair needs. Even with additional lane miles, Interstate congestion is expected to increase, particularly in urban areas. Overall, DOT estimates that between 21,000 and 25,000 additional lane miles are needed to accommodate additional capacity. In addition, because DOT accounts for highway and bridge needs separately, the estimated $24 billion that states require for 4R bridge work is not reflected in DOT's 4R needs estimate.

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[1] Entitled Moving America: New Directions, New Opportunities, dated February 1990.

TRUST FUND COMMITMENTS CAN BE INCREASED

Over the past few years a great deal of discussion has focused on a perceived surplus balance in the highway account that could be spent on the nation's highways and bridges. In a May 1989 report to the Senate Appropriations Committee, we pointed out that the highway account balance, which was about $10.5 billion at the end of fiscal year 1989, was not actually a surplus. These funds will be needed to pay outstanding commitments. However, the account can support a higher level of program activity because future total revenues over the fund's authorized life are expected to exceed the level of future authorized commitments. At the time of our review, the anticipated amount of uncommitted funds at the end of the authorization period was $7.4 billion. However, if the authorized level of commitments were increased, DOT believes that a safety cushion of at least $1 billion would be necessary to guard against unforeseen disruptions to highway tax revenues or inaccurate revenue projections.

Unfortunately, the severity of the General Fund deficit and the use of various trust fund balances to mask the deficit have made the concept underlying trust funds quite different in reality. In the current budget environment, the reality is that any drawdown of the Highway Trust Fund balance can only be accomplished by increasing the deficit or at the expense of other federal programs.

TOLL FINANCING OFFERS ATTRACTIVE REVENUE SOURCE

Increasingly, the Congress, states and DOT are viewing toll financing as a funding mechanism that can give states more flexibility and control over transportation spending. Although tolls are generally prohibited on roads built with federal funds, the 1987 highway act authorized a toll pilot program. Under the 9-state pilot program, federal funding is limited to 35 percent of project costs, as compared to 75 to 90 percent under other highway programs. The work we are performing for this Subcommittee shows that states have made limited progress on the pilot projects. Only Delaware, Georgia, and Pennsylvania have started construction on their projects. Five other participating states--California, Florida, Texas, South Carolina, and West Virginia--are in the planning stages. One state, Colorado, has decided not to proceed with its project unless it receives additional federal money.

State highway officials we spoke with favor expanding the use of tolls on federal-aid highways and view tolls as an additional revenue source that can allow them to complete projects sooner than anticipated. We believe that limiting the federal funding share to 35 percent makes it incumbent upon states to carefully select projects for toll financing. If the selected project does not generate sufficient revenue, a state could contribute more to finance the toll project than it would under a conventional federal-aid highway project. Only the Texas project is anticipated to be totally financed with federal and toll revenues.

The Administration's national transportation policy endorses the concept of increasing opportunities to implement toll financing for transportation projects. Under the policy, state and local governments would be allowed the flexibility to impose tolls even if the roads are built with federal funds.

Four states--Texas, California, Florida, and Georgia--have committed themselves to using state-of-the-art equipment to reduce congestion and the costs of collecting tolls. For example, under the system Texas plans to use on its pilot project, a computer chip is placed inside vehicle windshields to keep track of toll charges. Vehicles with the chips do not have to stop to pay the toll; equipment reads and charges the user's account number as the vehicle passes through the toll plaza. According to state officials, using this system on the North Dallas Tollway has added the equivalent of two lanes of highway during rush hour and is drawing traffic from other congested roads in the area.

STATES REALIZE SIGNIFICANT ADVANTAGES WITH A BLOCK GRANT

The Administration's national transportation policy calls for a significant change in the traditional relationships among federal, state, and local governments. Under the new approach, the federal government would focus its transportation resources on highways of national significance, such as interstate and primary roads that are important to national defense and commerce. State and local governments would, in turn, assume greater responsibility for addressing their transportation needs. DOT acknowledges that state and local governments are frequently the most appropriate level for decisionmaking and management, and, given the appropriate tools and flexibility, they have a clear incentive to maintain the transportation infrastructure.

According to the new transportation policy, the restructuring of federal, state, and local roles could be accomplished in part by replacing the predominant categorical grants with broader and more flexible funding alternatives. The five-state Combined Road Plan demonstration program is designed to give states more control over how they spend federal funds received for the secondary and urban highway systems as well as bridge funds for these systems and for a certain percent of bridges off the federal-aid system. Our ongoing review of this program, which was initiated at the request of this Subcommittee, offers some insight into how states, under current funding levels, might respond to assuming additional management responsibilities.

Under the demonstration program, participating states are permitted to combine funds received for secondary and urban highway systems, and bridges off the federal-aid highway system, and to target their expenditures in accordance with their needs and priorities. States participating in the demonstration pooled between 9 percent and 33 percent of their annual highway apportionment. The states are also responsible for approving design exceptions and making final inspections of their projects--activities that traditionally have been federal responsibilities.

According to our preliminary results, states have benefited from the flexibility of being able to pool categorical grant funds and reportedly have been better able to target the funds to meet state priorities. Additionally, state officials believe that the flexibility provided under the demonstration could be improved by adding additional categories of funds, such as Hazard Elimination and Rail-Highway Crossing funds, to the pool of block grant funds. States also have reported time savings from performing their own final inspections and approving design exceptions. However, DOT has not determined how state actions in approving design exceptions and conducting final inspections might affect highway safety.

Furthermore, states would like to have certain legislative restrictions under the federal-aid highway program waived for projects in the demonstration, such as the 15 percent minimum/35 percent maximum for funding off-system bridges. Since no funding level changes were incorporated in the demonstration, we cannot project what the results would be if funding levels were to decline.

FEDERAL/STATE HIGHWAY LAWS ARE LARGELY COMPARABLE

An early plan for the block grant demonstration program, proposed by the prior Administration, would have waived legislative requirements for states' compliance with federal laws on prevailing wages, minority contracting, environmental protection, and highway design. Had this proposal been incorporated into the enacted block grant, it would have permitted states to administer federal-aid highway projects as if they were state-funded projects--responsive only to their state laws affecting highway project administration. The block grant demonstration enacted did not relinquish the federal requirements.

State laws and administrative guidance in the five demonstration states vary in the degree to which they approximate federal statutes. The presence of state laws or administrative guidance similar to federal laws does not in itself predict how states would respond if federal requirements were lifted. State statutes may be repealed or amended, and state administrative guidance may change from year to year. However, the fact that states have afforded largely comparable protections to state laborers, minority contractors, the environment, and highway safety suggest that federal and state governments attach similar values to these concerns. At the conclusion of our work, we expect to provide the Congress with options to consider if it decides to relax state compliance with federal laws on environmental protection, prevailing wages, minority contracting, and highway design.

This concludes my testimony. I will be glad to answer any questions.

Detailed Outline

Testimony Before the Senate Subcommittee on Water Resources, Transportation, and Infrastructure, Ft. Lauderdale, FL, March 19, 1990.

Dr. John M. DeGrove, Director
FAU/FIU Joint Center for Environmental
and Urban Problems

Growth Management, Transportation and the President's National Transportation Policy

I. The Problem Setting in Florida and Around the Nation

A massive underinvestment in public facilities for at least the last two decades. Perhaps most prominent in transportation, but storm water management, for exampale, may involve almost as large a backlog of unmet needs. Florida. The backlog and the shortfall for meeting new needs. Similar in New Jersey, Washington, Oregon, California, and virtually every other state in The Union.

Note the upcoming California 9 cent gas tax referendum.

oo So the nation is faced with a massive challenge to catch up and keep up in transportation infrastructure. Major new sources of revenue must be generated at every level of government and from the private sector and the link between transportation and land use must be better defined and enforced to increase the efficiency of our transportation investments.

oo I want to focus my remarks on Florida's growth management system as it relates to the transportation-land use link, then relate that in turn to the President's Report.

oo Florida's Growth Management System--Consistent, Concurrent, Compact.

- Concurrency and the transportation land use link. A mandated consistency between local government land use and transportation plans.
    - -- The level of service requirement. The non-degraduation rule. A few remarks on the result.

- oo Pay As You Grow as the only way to grow responsibly with a strategy to make up backlogs over a specified period of time. The concept has very strong support from every/quarter. Yet it is in dangzer of failing. Why? Because it cannot work without major new revenues to catch up and keep up--and those revenues have not been forthcoming.

- oo State Share Not Forthcoming
  - The promise in 1985
  - Gas and sales tax increases, combined with a widespread use of transportation impact fees in the 1985-1987 gave us a good start - but its been downhill ever since.

- oo The "read my lips" disease spreads to Florida.
  - The need is well documented.
  - Every major interest group, both houses of the legislature have and still would support major new revenues. The governor alone stands in opposition.
  - To allow the concurrency requirement to be met without widespread moratoria, we need at least 10 cent per gallon increase at the state level; another 5 to 10 cent optional gasoline taxes for local governments. (A penny equal's about $68 million annually statewide.

- oo So within this context, what does the President's transportation policy tell us in Florida? Lot's of luck folks, but you're on your own. Florida's needs do call for major new efforts at the state and local levels--but they also require new revenues from the federal level--Not a steadily declining federal effort in real dollars--one source estimates a 20 percent decline in constant dollars from 1980-1991, and a projected further decline by the Bush Administration of another 10 percent by 1995.

- oo In conclusion, to bring it down to where you are holding your hearing today, the situation in Broward County.

- oo So what is my assessment of the President's statement of National Transportation Policy? It's a day late and a lot more than a dollar short. It does have good ideas in it, but it would have benefited greatly by borrowing from Florida's recently published report on Urban Growth Patterns, which called for strategies for combating urban sprawl and encouraging more compact urban development patterns in order in reduce drastically the sprawl induced cost of infrastructure, especially in the area of Transportation.

THE WILDERNESS SOCIETY

TESTIMONY OF JAMES D. WEBB, REGIONAL DIRECTOR OF THE WILDERNESS SOCIETY, BEFORE THE WATER RESOURCES, TRANSPORTATION, AND INFRASTRUCTURE SUBCOMMITTEE OF THE UNITED STATES SENATE, FORT LAUDERDALE, FLORIDA, MARCH 19, 1990; FIELD HEARING ON THE FUTURE OF THE FEDERAL-AID HIGHWAY PROGRAM AND RELATED SURFACE TRANSPORTATION ISSUES.

Mr. Chairman, Members of the Subcommittee:

Because of the recent release of the President's National Transportation Policy statement, those before you today properly concentrate on important issues set within its terms. The allocation of responsibilities it proposes will determine the future structure, efficiency, and durability of our transportation system, as will alternative policies that may be enacted and enforced.

We speak without the benefit of national policies on the most basic transportation "infrastructure": energy and the environment. We have had the luxury, and in various ways have paid the cost, of building a national transportation system without much reference to those considerations. Such luxury and such costs are now insupportable.

The system we built is responsive to many demands, and has achieved physical and economic integration of the republic. It is an important, positive measure of America's potency and potential. It has been an expression of national policy from the early days of our expansion. It has been a center for the development of our constitutional federalism. It will remain so.

Continuing, too, is the system's characteristic requirement for long lead times, intense capitalization, and, therefore, far-sighted plans. Continuing, too, is the Nation's need for a system that efficiently meets our changing demands and resource capacities. It is hard to see, from the recent statement, how the policy will be expressed in plans, public or private, much less how those plans may affect the environment.

What I can do now, is make some observations about environmental aspects and elisions of the policy statement.

The most important environmental objective of a national policy should be to reduce the system's dependence on petroleum.

4203 PONCE DE LEON BOULEVARD, CORAL GABLES, FLORIDA 33146
(305) 448-3636

That, too, may be its most important economic and security objective. We use most of our petroleum in transportation. The primary reliance on oil fuels, and a primal lust to develop oil resources quickly, threatens scarcity and disorder at every turn. That we would now seriously debate opening up the Arctic National Wildlife Refuge, the Florida Keys and the Everglades to oil development, is evidence enough for me that we have gone too far on that path. I know reasonable people who have less tender sensibilities, but I don't know any who reject the need for conservation of petroleum in transportation. Caribou in the calving grounds, corals of the reef, and citizens who will want to move themselves and their goods around in the 21st Century all require it.

Long-run costs of our dependence on oil are presently being expressed in the degradation of the environment and of other factors of national capital. Those costs must be identified and controlled or effectively refunded. The policy statement recognizes only the most obvious of them -- oil spills and wetlands conversions -- and there proposes an ambiguous response. Policies that fail to avoid or to internalize those costs of oil production and distribution, in fact undermine the position of fuel efficient transport. They assume that our economic and social order can better afford to weather increasing volatility in oil price and supply than to provide against it. They artificially value current depletion over that of domestic supplies in place, and accept unmanageable assaults on the environment. I think we must accept none of those things.

The Wilderness Society's history and purpose enforces our wish that the United States get further out of the habit of treating public energy resources as private owners would theirs. Private landlords do not have the United State's constitutional obligation to order a productive, healthy and balanced society. We want to preserve natural areas and processes because we believe them to be vital to such an order. We believe petroleum dependency threatens them fundamentally. In energy policy debates we fight for our concerns, but if the demand of our society for petroleum grows unabated, the scales are balanced against them. More importantly, national assets of perpetual and inestimable value will be lost.

It is not the studied position of the Society, but I believe some direct and effective ways to ease our concerns through transportation policy are to advance restoration and development of energy efficient modes of transport, like rails and urban mass transit, to increase operating efficiencies systematically and intermodally, and to develop safe, non-polluting fuels and applications. Energy conservation is discussed in the policy statement only as an environmental issue, and as matter on which the Departments of Energy and Transportation are "working". As to accomplishments, they point out that DOT/UMTA is supporting purchase of buses that consume alternative fuels and "will support continued initiatives of that kind." The kind meant, I suppose, is the insignificant.

I do not believe effective energy conservation in transportation can be advanced without a leading investment of federal resources and intention. I do believe that such is necessary to our national well-being, whether represented by a citizen who wants to save wildlands, one who is first concerned about our continued economic authority, one whose sanity is threatened by the daily commute, or one whose child cannot run at recess.

The "key issues" of conservation under discussion between the Departments should be part of a transportation policy's bedrock. It's a question of getting the system we can best use in the future. In the statement they are afterthoughts. We are to make choices unguided by conservation motives, and fit conservation into such space as is left between them. That will not properly advance our conservation aims, or meet our long term transportation needs.

There is more to conserve in our national life than energy, and our actions in transportation will affect conservation of our land, waters and public capital. Eric Hoffer, as I recall, said he would measure the level of a civilization's worth by how good it was at maintenance. I agree with him, and while I am no expert in transportation economics, I know that I'm better off financially if I get a sound car, keep it, and keep it well maintained. I suspect the same thing is true for the roads and bridges it runs on. We have the world's most comprehensive series of routes and sites for all transportation services. Good policy demands a comprehensive program for maintenance and adaptation of our existing facilities to future needs. For many reasons, from local land use decisions to national policies, we still incline more to pave and pollute new land and water areas than to improve the utility of established rights of way and imbedded investments. Getting the most out of what we've got requires the accurate relation of transportation plans to other elements of public investment. Our highway programs, in particular, remain a primary force behind urban sprawl and our policies should have a conscious, concentrated motive to reverse it.

I have served in offices of local, state and federal government, and have engaged each on behalf of private business and conservation interests. I have some understanding of the complexity of transportation development and finance, and sympathy for those who wrestle with its daily aspects. My experience tells me that we will not get a real national transportation system from a congeries of local determinations. Real integration must be served by national agreement on purposes, functions and control, and that agreement will be harder to obtain if federal planning and financial responsibilities are limited. To raise a directly "environmental" question, will increased reliance on state, local, and user funding reduce the applicability of federal planning standards, such as the National Environmental Policy Act and Section 4(f) of the Transportation Act? Environmental quality is not less affected because different funding sources are used. Such standards are there to assure us in our national life, and must effectively extend to each element of our national transportation system, whoever builds and runs it.

Standards of design, management and impact must be forwarded by more than jawboning. I am one of those who finds the policy statement to be long on exhortation and short on authority, to be heavy with mottos and light in commitment. A functional, flexible, durable and environmentally responsive transportation system is an accepted national responsibility. Meeting that responsibility will, indeed, require the strengths of all governmental and economic sectors; strength, above all, of leadership. The proposed federal role is much less extensive than its clear responsibilities, and should be made commensurate. The National Transportation Policy Statement reveals problems and states policies to which its action elements do not respond. Its serious tone is imbedded in a text of abdication. Liberating the best energies of all sectors is an active undertaking. A transportation system adequate to America's dynamic future needs more forceful federal policies and practices than the administration now asserts.

Florida House of Representatives
Tom Gustafson, Speaker
Committee on Public Transportation

James T. [illegible]im" Hargrett
Chairman

Steven A. Geller
Vice Chairman

April 4, 1990

Honorable Bob Graham
United States Senate
241 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Senator Graham:

Thank you for giving me the opportunity to attend the Water Resources, Transportation, and Infrastructure Subcommittee of the Senate Environment and Public Works Committee field hearing in Fort Lauderdale. The issues that were to be addressed are of great interest to me, so I was disappointed when previous commitments prevented my attendance.

Attached is a transcript of some of my views relating to the issues that were to have been addressed and a synopsis of some current transportation issues in Florida.

If I can be of further assistance, please do not hesitate to contact me.

Sincerely,

James T. Hargrett, Jr., Chairman
Committee on Public Transportation

JTH/bw

Dorothy Johnson, Staff Director
29 House Office Building Tallahassee, Florida 32399-1300 (904) 488-3483

WATER RESOURCES, TRANSPORTATION, AND INFRASTRUCTURE SUBCOMMITTEE OF THE SENATE ENVIRONMENT AND PUBLIC WORKS COMMITTEE FIELD MEETING

Presentation Material - March 19, 1990

The U.S. economy is no longer an island unto itself. More and more, we Americans are seeing the importance of interacting effectively in the global marketplace that is our world. Once the mainstay of our production capabilities, the days of cheap land, cheap labor and low taxes are disappearing. The United States is finding it increasingly difficult to compete with the low costs inherent in developing countries. Since we cannot compete as a low cost producer, it is imperative that we attract higher value-added industries which emphasize higher productivity rather than low cost.

Our transportation system is the cornerstone of a globally competitive market. We must maintain and improve our ability to move people and transport raw materials and finished goods. This is not a new idea. For the last several decades, state and federal policies have emphasized the improvement, maintenance and expansion of the highway system. This is an appropriate focus since the automobile is firmly entrenched in our society. However, we are finding that a highway-based transportation system is not sufficient to meet our mobility needs. Congestion is a common feature of urban and suburban highways. In the next 20 years, auto trip delays will increase by 5.6 billion hours per year. These delays also affect the movement of goods and services and thereby have a significant effect on our economy. Furthermore, in many areas the Interstate Highway System which was designed with, among other purposes, civil defense in mind, fails to satisfy the demands of daily rush hours. It is frightening to contemplate what might occur should an area require a mass evacuation due to a natural disaster or military mobilization. In addition to delay and safety problems, air quality (Automobiles are the major producers of carbon monoxide, carbon dioxide, and hydrocarbons.), energy consumption, and equal access by mobility-impaired persons all raise serious concerns about the high cost of highway investment.

All of these issues should be addressed in the development of a comprehensive transportation policy, a policy which should stress the interdependence of the various modes of transportation. Too many people think only of highways when transportation is considered. There is more. Airports, seaports, railroads, pipelines, and transit also play significant yet different roles in our transportation system. Unfortunately, these integral components have all too often been treated independently at the policy level. Such fragmentation leads to a disjointed, inefficient program. There exists a great need to improve the multimodal choices and intermodal exchanges of our network to make it a truly comprehensive, integrated transportation system.

While I recognize the predominance of automobile travel, (Highways are and likely will remain the primary means of personal transportation in this nation) the need for improvement and better maintenance of the highway network is obvious. In my capacity as

Chairman of the Florida House of Representatives Committee on Public Transportation, it has become increasingly obvious that we cannot provide enough pavement. What we must provide are alternatives to the automobile!

In Florida, there are seventeen urban public transportation systems, including two fixed guideway systems, which receive UMTA funds, and one multi-county commuter rail system. These systems provide fixed route, fixed schedule, and/or demand responsive transit service. Collectively, these systems have a fleet of 1,945 buses and rail cars. These vehicles provided 65 million miles of service and carried 137 million passengers in 1987. Metrorail, a heavy rail service, and Metromover, an automated guideway service complement the bus service in the Miami-Dade area. The Automated Skyway Express opened in 1989 and serves the Jacksonville central business district. Tri-Rail, a commuter rail service, also opened in 1989 serving Palm Beach, Broward, and Dade Counties. Additionally, the Tampa Bay and Orlando areas are studying the feasibility of commuter rail service.

The mobility needs of Florida's disabled are addressed by 43 transportation disadvantaged providers, in urban and rural areas, that provide transportation to those physically, mentally, or economically unable to otherwise obtain it.

Florida's Strategic Transportation Plan documented $40 billion of state transportation needs over the next decade. Total public transit needs were estimated at $9.6 billion in this same period, including $5.9 billion in major capital projects, $310 million in capital replacement needs and $3.4 billion in operating assistance. Increased state, local, and federal funding is necessary to meet these needs.

The Committee on Public Transportation is proposing a public transit block grant program that establishes policy to direct the allocation of funds appropriated for public bus systems in Florida. The funds would be available for matching of federal and local capital expenditures and for funding up to 50% of the nonlabor operating costs. The funds would be distributed according to a formula based on passengers, revenue miles, and population. Performance standards and evaluations for all public bus and rail transit systems would be developed as would a policy for evaluating the state's participation in major capital investments such as light rail systems. This program designates a percentage of the total funds available for the transportation disadvantaged providers.

The State of Florida's role in the funding of local capital projects is tied to federal funding by a matching formula. Local governments also contribute substantially. This allows joint participation in the development and maintenance of the transportation system. Should the federal share of the funding continue to decrease, serious shortfalls will result.

In addition to our public programs, I am particularly interested in the potential of two innovative systems being considered in Florida: the High Speed Rail line planned to link Tampa, Orlando, and Miami, and the Orlando Magnetic Levitation Demonstration Project. High Speed Rail uses technology that is operational abroad but not yet in use in this country. The highway corridors between Tampa, Orlando, and Miami are among the most congested in the state. High Speed Rail has the potential to relieve this congestion as well as the crowded air corridors serving these cities. High Speed Rail could also be used for light cargo and courier service. The Magnetic Levitation Demonstration Project (Maglev) would be the first operational implementation of this type of technology anywhere in the world. Both projects depend heavily on private investment and joint development. Furthermore, Maglev and High Speed Rail, in particular, offer unique growth management possibilities.

The State of Florida is actively pursuing implementation of a comprehensive transportation program. The single most significant impediment to the success of the program is the inconsistency and short supply of funding. Currently, the Federal Government is holding $6 billion of surplus in the Mass Transportation account of the Highway Trust Fund. I urge that these funds be distributed to the states for use as they were intended. I also urge the increased support of mobility enhancement through continued funding of the Urban Mass Transportation Administration. The transportation system in this country is a national treasure which must be maintained and enhanced for the benefit of the entire population. Who, but the Federal Government, is best suited to take the lead?

Florida House of Representatives
Tom Gustafson, Speaker
Committee on Highway Safety & Construction

Vernon Peeples
Chairman

Mario Diaz-Balart
Vice Chairman

April 2, 1990

Honorable Bob Graham
U.S. Senator
241 Dirksen
Senate Office Building
Washington, D.C. 20510

Dear Senator Graham:

You recently led the Water Resources, Transportation and Infrastructure Subcommittee to Florida for hearings on transportation plans and projections for the 21st century. In reviewing some of the testimony presented at the hearing and in examining the proposed national transportation policy (NTP) , I would like to share four of my major concerns regarding proposed transportation policy with you.

FUNDING LEVELS. The balance in the Highway Trust Fund should be reduced by increases in federal transportation funding to the State over a period of years. Further, a federal gas tax increase should not be considered until the trust fund balance is reduced.

At a time when federal support for highway improvements has decreased 21 percent over the last 20 years, and the collective balances in the Highway and Aviation and Trust Funds exceeds $29 billion, I seriously question the notion that states should now pay an even larger share of transportation funding costs.

The concept of user financing has been the backbone of the federal highway program for years and the NTP calls for "greater reliance on user charges." Regrettably, many of these user fees, collected expressly for transportation improvements, are not being used to make our airways safer or our highways less congested. They aren't being used at all. Many say that they are being withheld instead to make the federal budget deficit appear smaller on paper. When one considers that the current balance in the transportation trust funds is $29 billion, a figure projected to swell to $34 billion if the Administration's budget is enacted, it is appropriate to ask for what purpose is this greater reliance on user fees suggested? Surely not for deficit reduction. Why not for transportation?

Robert W. Coggins, Staff Director
26 House Office Building Tallahassee, Florida 32399-1300 (904) 488-3833

ALLOCATION FORMULAS. The current formulas which disperse transportation funds to the states should be revised to more accurately and equitably reflect today's needs.

The program should be based on meeting current and projected needs using sound transportation concepts. Problems that Florida would like to see resolved include:

- The use of obsolete allocation formulas without reaffirmation of their validity. A 1986 report by the General Accounting Office evaluated the factors used to distribute federal highway funds. Two of these factors, land area and postal mileage, have been used since 1916 and were found to be unrelated to either the extent of the federal-aid highway network or its use. Nowhere are these factors more outdated than in Florida.
- The elimination of outdated allocation formulas that create donor/donee states. Now that the interstate system is complete and a national transportation system has been built, Florida should now receive its fair share of funds. Since the Interstate program began in 1956 Florida has received only 81 cents back for every dollar sent to the Highway Trust Fund. Also, in 1988 Florida received only 64 cents for every dollar sent to the Highway Trust Fund.
- The elimination of provisions in the federal law that penalize minimum allocation states that successfully obtain discretionary dollars. This practice allows those states that are not forced into receiving minimum allocation funds to pursue discretionary dollars with impunity, while for those states that require minimum allocation it is extraordinarily difficult to ever do any better.
- Penalizing states that receive emergency relief funds. Presently, federal emergency relief dollars are also considered as discretionary dollars and counted against the receipt of future minimum allocation funds. In effect a state that has suffered the consequences of some event necessitating emergency relief money, would be punished by having their minimum allocation for the next year reduced.

MANAGEMENT AND ACCOUNTABILITY. The overall federal transportation partnership should be restructured and changes to the existing program be made to more efficiently and effectively use whatever level of federal funding is available.

The new federal-aid transportation program should assure the Congress that federal funding improves the performance and capacity of the nation's transportation system. Florida recommends that improvements to the system be measured using four principal transportation management plans:

- A pavement management plan;
- A bridge management plan;
- A safety management plan; and
- A congestion management plan.

Each state should prepare and adopt these plans using criteria appropriate to its particular circumstances. The planning process should recognize the need for diversity among the states. The plans should be dynamic, multi-modal, and strategic in character, and should substitute for other program controls and should be amendable without sanctions. This approach would be an effective and efficient way to assure accountability to Congress. The new program should assure Congress that federal funds will improve the nation's transportation system.

PRIVATIZATION. While the private sector plays a major role in meeting the states transportation needs, the federal policy should not encourage state's to abrogate their transportation responsibilities to the private sector.

The NTP report states that the federal role should be to minimize the barriers to private participation, and encourage the private sector's involvement in providing transportation facilities and services. The proposed federal policy would support the development of private toll roads. The use of toll roads, especially privately financed toll roads, should be viewed as a last resort in getting a road built rather than as a technique of avoiding political responsibility. Tolls are a bad deal for the average taxpayer because they are both inefficient and costly, for example:

* Approximately 28 cents of every dollar collected in tolls goes toward building roads; the remainder is spent on collecting tolls and paying bond interest.

* Twenty-one cents of every dollar received in tolls is lost to the cost of collection.

* The gas tax, by comparison, only costs the state four-tenths of a cent on each dollar to collect.

Honorable Bob Graham
April 2, 1990
Page Four

- Toll charges are the equivalent of gas taxes ranging from $1.60 to $2 per gallon of gasoline.

- Tolls create other problems such as congestion at toll booths which in turn increases air pollution and fuel consumption due to waiting in line.

Transportation initiatives involving the private sector should be designed to maximize the benefit to the taxpayer rather than at the expense of the taxpayer to benefit special interests.

Clearly, reauthorization of the Surface Transportation Act, with Florida's concerns addressed, is needed to maintain a strong federal role. If our transportation system is to have a chance at keeping pace with Florida's growing population and needs, then these issues must be addressed. For this reason, I solicit your consideration and support.

Thank you for the opportunity to share my concerns with you and I look forward to working with you to improve upon the proposed national transportation policy.

Sincerely,

Vernon
Vernon Peeples

VP/tki

Department of Transportation
State of Georgia
No. 2 Capitol Square
Atlanta, Georgia 30334-1002

HAL RIVES
COMMISSIONER
ALVA R. BYROM
STATE HIGHWAY ENGINEER

FLOYD E. HARDY
DEPUTY COMMISSIONER
ARTHUR A. VAUGHN
TREASURER

March 22, 1990

The Honorable Daniel Patrick Moynihan
Chairman, Subcommittee on Water Resources,
Transportation, and Infrastructure
United States Senate
Washington, D.C. 20510-6175

Dear Senator Moynihan:

Although I was unable to schedule attendance at the field hearing of your Subcommittee conducted by Senator Graham in Fort Lauderdale, Florida, on March 19, I have prepared written testimony which I request to be placed in the hearing record.

As Commissioner, I am testifying on behalf of the Georgia Department of Transportation. I also presently serve as Vice President of AASHTO, and have been intimately involved in developing the AASHTO policies which have been published as a part of the Transportation 2020 process. My written statement is enclosed for consideration by your Subcommittee and the Senate Committee on Environment and Public Works, as you put together the Federal-aid highway program beyond Fiscal 1991.

Thank you for your consideration.

Yours very truly,

Hal Rives
Commissioner

HR:bs

Attachment

cc: The Honorable Wyche Fowler
The Honorable Sam Nunn

TESTIMONY FOR
FIELD HEARING, SENATE SUBCOMMITTEE ON WATER RESOURCES, TRANSPORTATION AND INFRASTRUCTURE

FT. LAUDERDALE, FLORIDA
MARCH 19, 1990

BY
HAL RIVES, COMMISSIONER
GEORGIA DEPARTMENT OF TRANSPORTATION
2 CAPITOL SQUARE
ATLANTA, GEORGIA 30334

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE. I AM HAL RIVES, COMMISSIONER OF THE GEORGIA DEPARTMENT OF TRANSPORTATION AND VICE PRESIDENT OF AASHTO.

IN MY ROLE AS COMMISSIONER, I REPRESENT A DIVERSE AND FAST GROWING STATE WITH A POPULATION THAT IS EXPECTED TO BE OVER 7.7 MILLION WHEN THE 21ST CENTURY DAWNS.

THE STATE I REPRESENT IS A TRANSPORTATION AND ECONOMIC HUB FOR THE ENTIRE SOUTHEASTERN UNITED STATES. OUR 1249 MILES OF INTERSTATE HIGHWAYS ARE THE SEVENTH HIGHEST IN USE IN THE NATION. AND ON SOME OF OUR MOST HEAVILY USED SECTIONS IN THE METROPOLITAN ATLANTA AREA, DAILY TRAFFIC VOLUMES EXCEED 240,000 VEHICLES PER DAY. EACH DAY, WE SEE FIRSTHAND THE MANY CHALLENGES AND OPPORTUNITIES THAT CHARACTERIZE TRANSPORTATION IN OUR COUNTRY TODAY. IT IS EXCITING TO BE A PART OF IT.

OVER THE PAST THREE YEARS I AND MY STAFF HAVE WORKED WITH MANY OTHER PROFESSIONALS IN THE TRANSPORTATION INDUSTRY (ON THE GOVERNMENT SIDE) IN PUTTING TOGETHER THE POLICY AND PROGRAM OBJECTIVES THAT AASHTO IS RECOMMENDING TO CARRY OUR NATION'S TRANSPORTATION PROGRAM INTO THE 21ST CENTURY. WE HAVE ALSO PROVIDED INPUT INTO SECRETARY SKINNER'S NATIONAL TRANSPORTATION POLICY EFFORT.

I BELIEVE IT IS A REMARKABLE TESTAMENT TO THE SUCCESS OF THESE EFFORTS THAT WE HAVE ACHIEVED SUCH BROAD AGREEMENT AMONG THE STATES AND THE ADMINISTRATION ON THE DIRECTION WE NEED TO TAKE

IN RENEWING OUR NATION'S SURFACE TRANSPORTATION PROGRAM. IT IS REMARKABLE, BECAUSE I THINK WE ALL REALIZE THE GREAT SIGNIFICANCE OF THE CHANGES WE ARE UNDERTAKING. AND I AM ENCOURAGED THAT WE ARE WORKING TOGETHER WITH A SPIRIT OF UNITY AND SINGULAR VISION.

OUR CONSENSUS ON THE GUIDELINES FOR THE FUTURE OF OUR NATION'S TRANSPORTATION PROGRAM INCLUDE:

* CREATING A BALANCED TRANSPORTATION SYSTEM IN WHICH ALL MODES ARE USED TO THEIR GREATEST ADVANTAGE;
* PLACING FULL PRIORITY ON ASSURING THE HIGHEST SAFETY STANDARDS FOR ALL OUR TRANSPORTATION SYSTEMS;
* CREATING GREATER FLEXIBILITY IN THE NEW FEDERAL/STATE PARTNERSHIP, IN THE USE OF FEDERAL FUNDS, AND IN ENCOURAGING GREATER PRIVATE PARTICIPATION;
* REINFORCING THE TIME-HONORED PRINCIPLE OF USER FEE FINANCING, AND REESTABLISHING THE INTEGRITY OF USER FEE TRUST FUNDS;
* INCREASING TRANSPORTATION RESEARCH FUNDING TO SPEED THE REALIZATION OF GREATLY NEEDED INNOVATIONS TO KEEP OUR NEW SYSTEMS WORKING SAFELY AND EFFICIENTLY; AND
* ELIMINATING UNNECESSARY REGULATIONS THAT ADD INTOLERABLE COST AND DELAY TO ACHIEVING REAL PROGRESS IN TRANSPORTATION EFFICIENCY.

THERE IS, AS I HAVE SAID, BROAD AGREEMENT ON THESE PRINCIPLES. I ASK YOU TO CONSIDER THESE IN UNDERTAKING WHAT WILL BE A COMPREHENSIVE REWRITING OF THIS COUNTRY'S SURFACE TRANSPORTA-

TION ACT.

PLEASE ALLOW ME TO GO BEYOND THE GENERAL PRINCIPLES I HAVE ENUMERATED AND OFFER SOME SPECIFIC RECOMMENDATIONS I WOULD ASK YOU TO CONSIDER IN FORMULATING THE PROVISIONS OF NEW AUTHORIZING LEGISLATION.

FIRST: I STRONGLY SUPPORT THE AASHTO POSITION ON REDEFINING THE FEDERAL AID SYSTEM TO INCLUDE TWO BASIC CATEGORIES. BOTH WOULD ADDRESS NATIONAL GOALS AND OBJECTIVES FOR TRANSPORTATION SYSTEM BALANCE, SAFETY, ACCESS, SYSTEM PRESERVATION, AND EXPANSION WHERE NEEDED, ECONOMIC VITALITY, RESEARCH AND INNOVATION, AND NATIONAL DEFENSE.

AASHTO HAS RECOMMENDED THAT THE CURRENT INTERSTATE SYSTEM, ALONG WITH A PORTION OF A REDEFINED PRINCIPAL ARTERIAL SYSTEM (150,000-180,000 MILES) BE IDENTIFIED AS THE HIGHWAY SYSTEM OF NATIONAL SIGNIFICANCE. THIS SYSTEM WOULD BECOME THE PRIMARY FOCUS OF THE NEW FEDERAL PROGRAM, AND APPROXIMATELY ONE-HALF OF THE TOTAL APPORTIONED FEDERAL-AID HIGHWAY FUNDS WOULD BE DESIGNATED FOR ITS PRESERVATION AND IMPROVEMENT.

THE REMAINING ARTERIAL, COLLECTOR AND OTHER HIGHWAYS AND BRIDGES NOW ELIGIBLE FOR FEDERAL AID, WOULD BE FUNDED WITH THE OTHER HALF OF APPORTIONED FUNDS UNDER A FLEXIBLE PROGRAM FOR ROUTES OF STATE AND REGIONAL SIGNIFICANCE.

I URGE YOUR ADOPTION OF THESE PROVISIONS.

SECOND: ON THE SUBJECTS OF FUNDING AND APPORTIONMENT, I THINK THERE IS WIDESPREAD AGREEMENT THAT THE PRINCIPAL SOURCE OF FEDERAL AID FUNDING SHOULD BE THE USER FEES DEPOSITED IN THE HIGHWAY TRUST FUND, INCLUDING THE ACCUMULATED INTEREST. OVER THE YEARS, AASHTO HAS REPEATEDLY EXPRESSED CONCERN OVER THE FUTURE OF THE HIGHWAY TRUST FUND. I THINK YOU, I AND MOST AMERICANS ACCEPT THE RATIONALE OF THE USER FEE CONCEPT FOR SUPPORTING TRANSPORTATION. CONSISTENT WITH THIS, THE HIGHWAY TRUST FUND MUST BE MADE PERMANENT, AND THE MONIES IN THE FUND MUST BE USED FOR THE PURPOSE FOR WHICH THEY WERE COLLECTED, INCLUDING THE ACCUMULATED INTEREST ON THESE FUNDS.

LET ME EMPHASIZE, HOWEVER, THAT I DON'T BELIEVE HIGHWAY USER FEES CAN BEAR ALL THE BURDEN FOR THE NATION'S SURFACE TRANSPORTATION PROGRAM. WE MUST CONTINUE SUPPORT FROM THE GENERAL FUND, AND PRIVATE PARTICIPATION MUST BE EXPANDED.

ONE THING I FEEL STRONGLY ABOUT, IS THE NEED TO REVERSE THE DECLINE IN CAPITAL INVESTMENT IN TRANSPORTATION OVER THE LAST TWO DECADES.

WHEREAS:

SURFACE HIGHWAY AND ROAD MILEAGE - UP 25%
LICENSED DRIVERS - UP 55%
MOTOR VEHICLE REGISTRATIONS - UP 95%
VEHICLE MILES OF TRAVEL - UP 105%
TOTAL HIGHWAY DISBURSEMENTS - UP ONLY 8% IN CONSTANT DOLLARS

IN 1988 STATES INVESTED FULLY ONE-HALF (50%) OF THE TOTAL FUNDS

SPENT ON THIS NATION'S HIGHWAY INFRASTRUCTURE. TWENTY-EIGHT PERCENT OF THE TOTAL WAS SPENT BY LOCAL GOVERNMENTS. THE FEDERAL SHARE AMOUNTED TO ONLY 22% OF THE TOTAL. WE CANNOT ASK THE STATES TO SHOULDER ALL THE FUTURE INCREASES NECESSARY FOR MOBILITY AND ECONOMIC EXPANSION INTO THE WORLD MARKETPLACE.

I STRONGLY SUPPORT THE AASHTO RECOMMENDATION THAT FEDERAL HIGHWAY PROGRAM FUNDING LEVELS BE INCREASED FROM THE PRESENT $13 BILLION TO $27 BILLION BY 1995. I WOULD FURTHER URGE YOUR ADOPTION OF THIS PROVISION IN YOUR AUTHORIZATIONS FOR FISCAL YEARS 1992 THROUGH 1995.

THERE HAS BEEN MUCH DISCUSSION IN THE PAST ON APPORTIONMENTS OF AUTHORIZED MONIES, AND THE AMOUNTS EACH STATE IS ENTITLED TO RECEIVE, THE FORMULAS. THERE IS WIDE AGREEMENT THAT THE APPORTIONMENT FORMULAS ARE OBSOLETE AND WILL NOT CORRELATE WITH NEW NATIONAL TRANSPORTATION GOALS. FACTORS LIKE POST ROAD MILEAGE HAVE LITTLE MEANING TODAY. THE NEED IS FOR AN APPORTIONMENT METHOD THAT MORE CLOSELY REFLECTS NEED AND USE. FACTORS SUGGESTED ARE RURAL AND URBAN SYSTEM LANE MILES AND VEHICLE MILES OF TRAVEL, WITH THE POSSIBLE INCLUSION OF OTHER MEASURES TO REFLECT HEAVY TRUCK USE, LIKE DIESEL FUEL CONSUMPTION. I RECOMMEND THESE FOR YOUR FAVORABLE CONSIDERATION.

ON THE SUBJECT OF FUND ADMINISTRATION, I AND MANY OTHERS BELIEVE THERE SHOULD BE FLEXIBILITY TO TRANSFER PORTIONS OF ALLOCATIONS BETWEEN PROGRAMS TO ALLOW STATES TO RESPOND TO CRITICAL NEEDS. AASHTO HAS MADE THIS RECOMMENDATION, AND I SUPPORT IT.

SPEAKING FURTHER ON THE SUBJECT OF APPORTIONMENT, UNDER AASHTO'S CONCEPT, FUNDING GUARANTEES WOULD BE MANDATED FOR THE SYSTEM OF NATIONAL SIGNIFICANCE. THIS WOULD BE ACCOMPLISHED BY PROVIDING STATES NO LESS FUNDING THAN IS CURRENTLY BEING RECEIVED. THIS ASSUMES INTERSTATE COMPLETION AND A CONTINUATION OF MINIMUM ALLOCATION APPORTIONMENTS. GROWTH WOULD BE PROVIDED IF NEW USER FEES ARE LEVIED. APPORTIONMENTS FOR THE FLEXIBLE FEDERAL AID PROGRAM WOULD BE BASED STRICTLY ON THE PRO RATA SHARE OF FEDERAL MOTOR FUEL TAX CONTRIBUTIONS TO THE HIGHWAY TRUST FUND AS ATTRIBUTED TO THE STATES.

I RECOMMEND THESE PROVISIONS TO YOU.

TURNING BRIEFLY TO THE SUBJECT OF THE FEDERAL SHARE PAYABLE, I RECOMMEND THAT CONSISTENT WITH THE PRINCIPLE OF A SYSTEM OF NATIONAL SIGNIFICANCE, WHICH WOULD BECOME THE MAIN FOCUS OF THE FEDERAL PROGRAM, THE FEDERAL SHARE PAYABLE BE ESTABLISHED AT NOT LESS THAN 85 PERCENTUM OF THE COST OF CONSTRUCTION, RECONSTRUCTION OR REHABILITATION. THE PRESENT ALLOWANCE FOR INDIAN LANDS AND PUBLIC DOMAIN LANDS COULD BE CONTINUED.

FOR THE FLEXIBLE PORTION OF THE NEW FEDERAL PROGRAM I WOULD ALSO RECOMMENDED THE FEDERAL SHARE PAYABLE BE PERMITTED TO RANGE UP TO 85 PERCENT, WITH STATES HAVING THE OPTION TO VARY THEIR CONTRIBUTIONS DEPENDING ON THEIR NEEDS, PRIORITIES, AND ABILITIES TO FUND THESE PROJECTS.

FINALLY, THE NEW LAW MUST CAREFULLY ADDRESS THE TRANSITION FROM CURRENT APPORTIONMENTS AND THE COMPLETION OF THE INTERSTATE SYSTEM.

THIRD: MR. CHAIRMAN, SAFETY IS ONE OF OUR MOST VITAL CONCERNS IN THE NEW SURFACE TRANSPORTATION PROGRAM. WE HAVE MADE GREAT PROGRESS IN HIGHWAY SAFETY LARGELY BECAUSE OF THE FEDERAL ASSISTANCE PROGRAMS OF THE LAST 20 YEARS. BUT MORE NEEDS TO BE DONE. MOTOR VEHICLE DEATHS AND INJURIES REMAIN A MAJOR NATIONAL PROBLEM.

IF THE CURRENT TREND OF A 4 PERCENT ANNUAL INCREASE IN TRAFFIC CONTINUES, OVER 500,000 AMERICANS COULD DIE ON THE NATION'S HIGHWAYS OVER THE NEXT DECADE, UNLESS MORE SAFETY IMPROVEMENTS ARE MADE. OVER $1.2 TRILLION COULD BE LOST IN HIGHWAY ACCIDENTS. ONE IN EVERY 19 CHILDEREN BORN IN THE 1990'S COULD DIE, BE PERMANENTLY DISABLED OR SUFFER A LIFE THREATENING INJURY IN A HIGHWAY ACCIDENT, IF FURTHER IMPROVEMENTS ARE NOT MADE.

THE FEDERAL PROGRAM SHOULD CONTINUE TO STRESS NATIONAL HIGHWAY SAFETY GOALS. TECHNICAL ASSISTANCE TO STATES IS NEEDED TO DEVELOP SAFETY MANAGEMENT PLANS THAT WILL TARGET EXISTING AND EMERGING SAFETY PROBLEMS. THE FEDERAL PROGRAM SHOULD BE RESTRUCTURED TO FOCUS ON BOTH DRIVER-ORIENTED AND ROADWAY-ORIENTED SAFETY ELEMENTS, AND IT SHOULD DELEGATE TO THE CONTROL OF STATES WITH DEMONSTRATED SAFETY RECORDS, THE REGULATION OF SPEED LIMITS.

JUST AS IMPORTANT, AND A RECOMMENDATION I WOULD ASK YOUR SUPPORT

ON, IS REMOVING SAFETY PROGRAM FUNDS FROM COUNTING AGAINST THE OBLIGATION LIMITS IMPOSED ON STATES. THE CURRENT APPROACH PENALIZES SAFETY IN FAVOR OF MAJOR CAPITAL EXPENDITURES.

FOURTH: BRIDGES ARE AN INTEGRAL PART OF OUR HIGHWAY SYSTEM. IN GEORGIA WE HAVE NEARLY 15,000 BRIDGES ON OUR STATE AND LOCAL SYSTEMS. THEY ARE EXPENSIVE TO BUILD AND MAINTAIN. TOO OFTEN TODAY OUR BRIDGES ARE FACING WEIGHT OR TRAFFIC RESTRICTIONS DUE TO STRUCTURAL INADEQUACIES THAT NEED TO BE CORRECTED. TOO OFTEN OUR BRIDGES ARE BEING SUBJECTED TO LOADS APPROACHING OR EXCEEDING LEGAL LIMITS. FOR GEORGIA ALONE, FUTURE NEEDS FOR BRIDGE REPLACEMENT OR RECONSTRUCTION TOTAL OVER $1.9 BILLION.

I CITE THIS PROBLEM IN PREFACE TO MY REMARKS ABOUT THE CURRENT CATEGORICAL AND DISCRETIONARY BRIDGE PROGRAMS. WHILE I THINK THEY HAVE BEEN OF BENEFIT, IN FACT GEORGIA HAS BENEFITED FROM THEM, THE PROGRAMS ARE JUST INADEQUATE AS STAND ALONE PROGRAMS. I WOULD RECOMMEND THAT BRIDGE IMPROVEMENTS BE INCLUDED AS AN INTEGRAL PART OF THE CATEGORICAL AND FLEXIBLE HIGHWAY PROGRAMS AND SUBJECT TO THE CONDITIONS OF THOSE FUNDING APPORTIONMENTS.

FIFTH: TOLL FINANCING - AASHTO FIRMLY ESPOUSES THE USE OF TOLL ROADS, BONDS AND OTHER INNOVATIVE FINANCIAL METHODS TO BUILD AND MAINTAIN OUR TRANSPORTATION SYSTEMS. CERTAINLY THE TOLL ROAD PILOT PROGRAM (AND I HAVE A PILOT PROJECT IN MY STATE) MUST BE GIVEN COMPLETE APPROVAL BY THE CONGRESS IN THE NEW AUTHORIZATION BILL. INCREASED USE OF BONDING SHOULD ALSO BE ENCOURAGED, NOT DISCOURAGED. I URGE YOU TO CONSIDER

INCORPORATING THESE PROVISIONS INTO LAW.

SIXTH: RESEARCH - IN OUR AASHTO 2020 STUDY, WE PLACED A GREAT DEAL OF EMPHASIS ON RESEARCH. WE FOUND THAT OUR 1970 AND 1980 MATERIALS AND TECHNIQUES HAVE SERVED US WELL, BUT THEY MUST BE ADVANCED AS WE MOVE TOWARDS THE YEAR 2000. RESEARCH MUST PLAY A PROMINENT ROLE IN THE NEW PROGRAM AND WE HAVE GIVEN IT ONE.

OVER THE PAST YEARS ONLY 2/10TH'S OF 1% OF HIGHWAY EXPENDITURES HAVE BEEN SPENT ON RESEARCH. THIS IS IN CONTRAST TO THE FACT THAT OUR BASIC LOWER TECHNOLOGY INDUSTRIES SPEND MORE THAN EIGHT TIMES THIS MUCH ON RESEARCH. WE DID NOT LOSE OUR INTEREST IN RESEARCH DURING THE PAST TWO DECADES; WE HAVE SIMPLY BEEN VERY SHORT OF FUNDS.

THERE ARE MANY AREAS THAT MUST BE RESEARCHED. AS YOU WELL KNOW, THE 1986 ACT FUNDED THE STRATEGIC HIGHWAY RESEARCH PROGRAM DEALING WITH PAVEMENT STRUCTURES. A PORTION OF THAT IS A LONG-TERM PAVEMENT PERFORMANCE MONITORING COMPONENT. WE MUST CONTINUE THIS COMPONENT FOR ANOTHER 15 YEARS SO THAT WE CAN GAIN THE FULL KNOWLEDGE OF HOW SELECTED PAVEMENT TYPES FROM ALL OVER OUR NATION ARE REACTING TO THE LOADS PLACED UPON THEM BY TODAY'S COMMERCE AND FUTURE COMMERCE.

WE MUST STUDY AND RESEARCH THE INTELLIGENT VEHICLE, INTELLIGENT HIGHWAY SYSTEM CONCEPT. THESE TYPES OF SYSTEMS CANNOT ONLY LEAD TO SAFER HIGHWAYS, BUT THEY CAN LEAD TO HIGHWAYS THAT

CAN CARRY MORE VEHICLES AND MORE PEOPLE WITHIN A GIVEN TIME FRAME, THEREBY LESSENING WHAT WE SEE TODAY AS AN INSATIABLE DEMAND FOR MORE HIGHWAY SPACE. I AGREE WITH THE SECRETARY THAT WE ARE WAY BEHIND IN THIS AREA AND NEED TO DEVOTE MORE EFFORT TO IT. HOWEVER, WE CANNOT CONCENTRATE ALL RESEARCH AT THE FEDERAL LEVEL. STATES BENEFIT BY BEING ACTIVE PARTICIPANTS. WE MUST BUILD AND EXPAND THIS RESEARCH PARTNERSHIP.

IT IS GOING TO TAKE MORE MONEY AND INCENTIVES FOR THE PRIVATE SECTOR TO BECOME INVOLVED. BUT THE LONG TERM BENEFITS WILL FAR OUTWEIGHT THE COSTS. I RECOMMEND THE NEW ACT PROVIDE A GREATER COMMITMENT TO RESEARCH AND TO IMPLEMENTING THE PRACTICAL RESULTS OF INNOVATION.

SEVENTH: ENVIRONMENT - WE, OF COURSE, MUST PROTECT OUR ENVIRONMENT THROUGH PROTECTION OF OUR WETLANDS AND SUSTAINING THE QUALITY OF THE AIR WE BREATHE. THE MEMBER DEPARTMENTS OF AASHTO UNDERSTAND THIS. WE ALSO UNDERSTAND, HOWEVER, THAT WE NEED A GROWING AND VIBRANT ECONOMY IN ORDER TO PAY THE PRICE OF ENVIRONMENTAL PROTECTION. YOU CANNOT HAVE SUCH AN ECONOMY WITHOUT A FIRST CLASS TRANSPORTATION SYSTEM. THERE ARE NECESSARY TRADE-OFFS BETWEEN PROTECTING THE ENVIRONMENT AND HAVING A FIRST CLASS TRANSPORTATION SYSTEM. WE FEAR THAT THE PEOPLE WHO WRITE THE ENVIRONMENTAL LAWS ARE NOT COGNIZANT OF THIS.

WE VIEW WITH DISMAY SOME OF THE AIR QUALITY LEGISLATION THAT IS PROCEEDING THROUGH THE CONGRESS INCLUDING THE BILL NOW BEFORE THE SENATE THAT IS THE RESULT OF NEGOTIATIONS BETWEEN THE SENATE

AND THE ADMINISTRATION. WE WOULD URGE THAT THIS COMMITTEE CAREFULLY REVIEW SUCH LEGISLATION, PAYING CLOSE ATTENTION TO SUCH ITEMS AS SANCTIONS, ENVIRONMENTAL PROTECTION AGENCY (EPA) CONTROL OF THE HIGHWAY PROGRAM IN NONATTAINMENT AREAS, AND THE EXPANDED AND MANDATED USE OF GASOHOL WITHOUT THE REMOVAL OF THE GASOHOL EXEMPTION.

IN THE PROCESS OF ENACTING CLEAN AIR LEGISLATION, GASOHOL FUEL MAY BECOME MANDATED IN SOME METROPOLITAN AREAS. AS YOU KNOW THE GASOHOL EXEMPTION WAS PROMULGATED IN ORDER TO MAKE THE USE OF GASOHOL MORE ATTRACTIVE. IF GASOHOL IS TO BE MANDATED, THEN THERE IS CERTAINLY NO NEED FOR THE GASOHOL EXEMPTION. THE EXEMPTION WAS A MARKETING TOOL. WE NEED NO MARKETING TOOL WHEN ITS USE IS MANDATED. WE ALSO, OF COURSE, BELIEVE THAT EVERY EFFORT NEEDS TO BE MADE TO STOP THE EROSION OF THE MOTOR FUEL TAX COLLECTIONS FROM THE ACTIVITIES OF ORGANIZED CRIME. THIS TAKES AWAY FROM THE HIGHWAY USERS THE BENEFIT OF SOME ONE TO TWO BILLION DOLLARS PER YEAR OF THE TAXES WHICH WERE COLLECTED FROM THEM.

EIGHTH: URBAN CONGESTION - IN CLOSING MR. CHAIRMAN, LET ME REAFFIRM OUR NEED TO PLACE SPECIAL EMPHASIS ON SOLVING THE GROWING PROBLEM OF URBAN AND SUBURBAN CONGESTION. IN OUR METROPOLITAN AREAS OVER ONE MILLION IN POPULATION, COMPREHENSIVE COORDINATED AND MULTIMODAL PLANS SHOULD BE DEVELOPED THAT CONTAIN SPECIFIC AND MEASURABLE WAYS ON HOW THE AREA WILL ACHIEVE CONGESTION REDUCTION OBJECTIVES. I AM REFERRING TO METROPOLITAN AREA MOBILITY PLANS THAT CONTAIN AS A SUBELEMENT, SPECIFIC

TIMETABLES FOR IMPLEMENTATION. FEDERAL PARTICIPATION IN THESE PLANNING EFFORTS SHOULD BE THROUGH FUNDING AND TECHNICAL ASSISTANCE.

THANK YOU MR. CHAIRMAN.

CARROLL LANCE
Executive Director

P. O. BOX 13549

ASPHALT CONTRACTORS ASSOCIATION OF FLORIDA, INC.
TALLAHASSEE, FLORIDA 32308
1020 E. LAFAYETTE STREET, SUITE 209

TELEPHONE
222-7300
A.C. 904

TESTIMONY OF
CARROLL LANCE, EXECUTIVE DIRECTOR
ASPHALT CONTRACTORS ASSOCIATION OF FLORIDA, INC.

BEFORE
SENATE SUBCOMMITTEE ON WATER RESOURCES, TRANSPORTATION
AND INFRASTRUCTURE

MARCH 19, 1990
FT. LAUDERDALE, FLORIDA

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GUARANTEE OF QUALITY

CARROLL LANCE
Executive Director

P. O. BOX 12549

ASPHALT CONTRACTORS ASSOCIATION OF FLORIDA, INC.

TALLAHASSEE, FLORIDA 32308

1020 E. LAFAYETTE STREET, SUITE 209

TELEPHONE
222-7300
A.C. 904

My name is Carroll Lance and I have served as Executive Director of the Asphalt Contractors Association of Florida for the past 21 years.

I welcome this opportunity to testify because Florida is facing the most serious transportation funding crisis in its history. Tragically, our governor and our Legislature cannot agree on appropriate funding alternatives that will provide the critically-needed revenue.

I understand that is not - and should not be - the concern of this important Subcommittee. Your mission is to determine the position of the Senate - and ultimately the Congress - in the future funding of a national transportation system.

The fact that our nation's existing transportation system is rapidly deteriorating is well-documented. And there appears to be uniform agreement that the problem facing Congress is two-fold:

(1) To protect the multi-billion dollar investment America's motorists already have made in their federally-financed transportation system and,

(2) To determine the most effective use of future federal revenue to increase the capacity of our existing system.

Those of us with longevity in the transportation industry recognize the National System of Defense and Interstate Highways as the most successful public works program in the history of the civilized world.

That virtually-completed system of superhighways links every major population center in this country and provides Americans an enviable mobility that cannot be equalled anywhere in the world.

The problem - simply stated - is that our incredibly-popular Interstate System is "too popular" and has attracted more motorists and more commerce than it was designed to accommodate.

Nobody - not even the most visionary design engineers in the country - could have anticipated the avalanche of passenger cars and commercial vehicles that would safely and efficiently use our nationwide network of Interstate superhighways.

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The point I am trying to make is simple.

Our remarkable system of Interstate superhighways is not "falling apart" because it was ill-conceived or poorly-planned.

It is deteriorating at a now-predictable pace because it is burdened with unprecedented volumes of heavy commercial traffic that it was not designed to accommodate.

As I indicated earlier, the first priority of the Congress should be to protect the investment America's motorists and America's trucking industry already have made in this safe and cost-efficient transportation network.

The level of funding to restore the strucutral integrity of this superhighway system and guarantee the safe driving conditions it previously offered should take priority over any other funding consideration.

Naturally, the American Association of State Highway and Transportation Officials is much more qualified to document this national financial need than is our Association.

And I am confident this Subcommittee will solicit the expert testimony of that national association of state highway and transportation officials.

Now to the second most pressing problem facing America's network of federally-funded Interstate superhighways. That of capacity.

While the design engineers of the late Fifties and early Sixties did not anticipate the massive volumes of traffic - particularly truck traffic - that would seriously damage the structural integrity of the Interstate System, they did anticipate the future need for additional capacity.

And that is why Congress - shortly after creation of the Interstate System in 1956 - began authorizing the purchase of "excess" right of way within the boundaries of that limited-access network.

As members of this Subcommittee are aware, the bulk of the original Interstate System was designed as a four-laned, divided facility with a minimum right of way requirement of 250 feet. This was almost immediately increased to a minimum right of way requirement of 300 feet to guarantee future expansion.

Florida is included in a group of fast-growing states whose rural Interstate System has become taxed beyond capacity. In essence, that original rural network of superhighways has become an urban expressway.

Interstate 75 from the Georgia-Florida line south to its intersection with the Sunshine State Parkway (Florida Turnpike), segments of Interstate 4 between Daytona Beach and Tampa, and portions of Interstate 95 on our lower east coast in South Florida are now accommodating impressive volumes of traffic that far exceed their design capacity.

The answer - the obvious answer - to making these superhighways safe and cost-effective again is to increase their capacity within the existing right of way. (Again, the Congress must be commended for authorizing the purchase of "excess" right of way within the boundaries of the original limited-access system. That wisdom will produce a multi-billion dollar savings to America's motorists.)

The problem, however, is that Congress has not funded the improvement of the existing Interstate System at a level that will finance the construction of those critically-needed additional lanes.

It is tragic that the Congress has allowed the Highway Trust Fund to accumulate a $10.1 billion surplus that is not obligated to fund any transportation program.

I want to make it clear that the $10.1 billion I referred to is a surplus of unobligated "highway-user funds" - not the nationally-embarrassing $16 billion surplus of "transportation" revenue that Congress will not obligate to contract.

And it is even more shameful that the current Administration's proposed budget for 1991 requests only $13.3 billion for the federal-aid program - which is approximately seven (7) percent less than was approved for 1990.

Everyone in Congress understands - but America's motorists and its trucking industry do not appreciate - the "shell game" that is being played with "highway-user" fees that are being used to reduce (on paper) the staggering national deficit.

It is our understanding that the current Administration hopes that by limiting the use of recurring "highway-user" fees to $13.3 billion for the approaching fiscal year, the surplus in the Highway Trust Fund will increase to an impressive $19.4 billion. (Thus, further reducing (on paper) our shameful national deficit.)

America's motorists and its important trucking industry do not enjoy the "luxury" of funding transportation and watching their user fees being used to conceal and artificially reduce our national debt.

People are being killed on our federally-funded highways and the cost of transporting goods and services to all Americans is being escalated because Congress will not authorize the legitimate expenditure of highway user fees to improve the safety and expand the capacity of our deteriorating and over-crowded transportation network.

And I want to emphasize that our popular system of Interstate superhighways is not the only federally-funded transportation system that is suffering because Congress will not immediately authorize the use of "surplus" highway-user fees.

Historically - and prior to the construction of the popular Interstate System - the federally-funded U.S. numbered primary highways were the backbone of America's ground transportation network.

Our cities and states were linked by transportation landmarks like U.S. 1 from Miami to Maine and cross-country routes like the fabled U.S. Route 66.

The funding priority for the maintenance and improvement of those time-tested U.S. numbered highways suffered significantly when our Interstate System became the "superstar" of America's transportation network.

In our opinion, Congress needs to review the role played by those still heavily-travelled facilities and restore the warranted level of funding they used to enjoy.

I recognize this Subcommittee has more concerns than the condition of our deteriorating, over-crowded Interstate System and the neglected status of our U.S. numbered primary highways.

You must also determine the appropriate level of funding for America's locally-owned and operated public transit systems, its airports and seaports.

However, since our Association represents highway contractors, I do not believe it would be appropriate for me to comment on the level of funding for those transportation programs. I am confident you will be provided a wealth of information on the financial needs of those alternate modes of transportation.

In summary, I would like to emphasize the following points that I have attempted to articulate:

(1) Congress must protect the multi-billion dollar investment America's highway users already have made in financing the construction of our Interstate System.

(2) Congress should take advantage of the fact that it has existing right of way on which to expand the capacity of our congested Interstate System.

(3) Congress should immediately obligate the unwarranted milti-billion dollar surplus of highway user fees to restore the structural integrity of the existing Interstate System and increase its capacity, and

(4) Congress should significantly increase the level of funding for our time-tested and still popular U.S. numbered primary highways.

Sen. Graham, on behalf of our Association I want to express our appreciation for this opportunity to testify before your Subcommittee.

And I want to make a personal observation about your demonstrated concern for transportation. Our industry still fondly remembers that it was during your second term as governor of Florida that the Legislature increased our state gas tax for the first time in 40 years. And it was during that same landmark special session of March, 1983 that the Legislature authorized the first "local-option" gas tax in our state's history.

And as you are well aware, 64 of Florida's 67 counties have taken advantage of that opportunity to more generously fund their local transportation needs.

It is our hope that you will be as successful in influencing the Senate, in particular, and the Congress, in general, to adequately fund transportation by authorizing the use of the multi-billion dollar surplus in highway user fees that is sitting idle.

Thank you and I will be glad to respond to any questions my testimony may have prompted.

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TESTIMONY

THE WATER RESOURCES, TRANSPORTATION, AND INFRASTRUCTURE SUBCOMMITTEE OF THE SENATE ENVIRONMENT AND PUBLIC WORKS COMMITTEE
HEARING
FORT LAUDERDALE, FLORIDA

MARCH 19, 1990

The law firm of Ruden, Barnett, McClosky, Smith, Schuster & Russell is General Counsel to Florida High Speed Rail Corporation, the sole applicant for the High Speed Rail franchise to be awarded by the State of Florida. In this capacity, the undersigned has been involved in the Florida High Speed Rail project for many years beginning over a visit with our then governor, Bob Graham, to France in 1983. This law firm has been involved in the Florida High Speed Rail Corporation's project from the time the Florida High Speed Rail Commission began its work in the application and proposal process in 1985.

Without question, it is clear that the United States of America and Florida, in particular, needs to develop a means of transportation that is alternative to highways and airlines. The obvious choice of this third alternative is high speed rail and related facilities. It is no longer conceivable or financially possible for roads to be expanded when the high cost of condemnation and road construction is added to the increased dimensions of roadway systems. Twenty-lane highways are not an appealing means of solving this nation's (or Florida's) transportation needs. There are obvious limits to airline transportation especially in the so-called "commuter" area and it is difficult and expensive for major airlines having the capacity to fly to deal with interstate needs.

Europe and Japan clearly reflect how an effective rail transportation system can work. It is also obvious that with the substantial budgetary problems facing federal, state and local governments, the public sector alone cannot undertake entry into the "alternative transportation" mode. It is not likely that the federal government would have reinvented a national transportation system had not the private sector first developed railroads. Amtrak is a form of public/private partnership which is constrained by the reality as to the formulation and its origination. We have the challenge and the opportunity to provide a new basis for the public/private partnership for high speed rail.

There is no question that the private sector alone which must be responsible to its owners to make certain that there is a reward for business risk cannot, in and of itself, financially undertake rail transportation. What records exist clearly reflect that the farebox alone will not support rail passenger services; either to pay its operating expenses or to provide for the capital costs for infrastructure. However, a public/private partnership can achieve this result and High Speed Rail can provide a much needed alternate means of transportation.

The private sector will be encouraged to continue their investment in High Speed Rail if government indicates, by direct contribution of some funding, services and talent, to aid the private sector in accomplishing these goals.

As a preliminary matter, it is imperative to address the issue of grade crossings that are affected each and every time interstate highways or federal-aid highways are developed, expanded or augmented. The appropriate role of the federal government would be to assist in funding grade crossings and co-locations to allow for high speed rail to be able to move swiftly through areas affected by these highways. Some portion of revenues devoted to highway programs and the interstate system should be allocated to the elimination of grade crossings. This should not be borne by the private sector. Permitting procedures in the environmental impact area and other similar governmental areas need to be streamlined so as to more effectively review the necessary information so that transportation programs can be achieved in an advanced manner. In other words, the governmental departments should encourage and not discourage fast-track permitting to enable transportation problems to be solved so as to speed up permitting procedures.

Since inducement in the private sector will not be found in passenger revenues, some other form of inducement will be necessary in order to invite the private sector to fully participate in partnership with government. Obviously, those members of the private sector participating must demonstrate the required expertise and professional competence to carry out the proposed tasks. This is probably not the place to have small business ventures, although at some point in a project, minority enterprises and small businesses should be asked to participate.

The State of Florida has considered that real estate development rights can be an appropriate vehicle for attracting the private sector. In order to implement the partnership, the private sector must be invited to demonstrate opportunities in financing, management, contracting, maintenance and potential business development which will balance the investment in the High Speed Rail project.

Recognizing that a strong transportation network is critical to the nation's economy, highways and interstates can no longer be viewed independent of high speed rail transportation, and the systems must begin to be integrated. This integration, particularly in the areas of grade crossings, safety, and permitting can be a major role for the federal government. Time does not permit an indepth study of the many ways in which the national transportation policy can be directed to accommodate high speed rail as an alternate means of transportation. The private sector in Florida has demonstrated a willingness to fund and participate in a public/private partnership. The success of that participation vitally depends upon government being serious about its willingness to participate. Federal, state and local governments may also assist in allowing the private sector to have access to certain financing techniques which, when creatively utilized, can furnish the ability to assist in the financing of rail projects. In this connection, we refer to the analogy of urban renewal and the many programs on financing that were introduced to allow federal, state and local governments to creatively utilize revenue sources for the clearing of slum and blight conditions and to invite the private sector to redevelop and revitalize urban areas rather than see them decay. This attitude should be carried into transportation so as to encourage the resourceful and imaginative use of public resources to facilitate private sector's involvement in transportation.

By pooling the resources of the private sector and the technologies being developed by the private sector and the imaginative and creative financing methods and the broad powers of government properly focused, the transportation needs in states such as Florida, and other more urbanized states, can be used to achieve a major breakthrough for an alternate means of transportation.

Our experience tells us that the private sector is prepared to spend money to become involved in transportation which has traditionally been solely the domain of the government. Just as airlines alone cannot undertake the cost of airports and related facilities, rail operators alone cannot undertake the costs of infrastructure. Because federal, state and local governments are not prepared to solely finance an alternate means of transportation, the private sector must be realistically be invited to participate. The private sector will do so and the citizens will benefit if a true partnership and opportunities for business success is part of the program.

There is a place for government and a place for the private sector in pursuing an alternate means of transportation through the High Speed Rail system. Once the High Speed Rail system is in place, then there can be intermodal approaches linking that system to either other transportation systems, stations or areas requiring service.

ELLIOTT B. BARNETT
General Counsel

US SENATE
WATER RESOURCES, TRANSPORTATION, AND INFRASTRUCTURE SUBCOMMITTEE
COMMITTEE ON ENVIRONMENT AND TRANSPORTATION

APRIL 19, 1990

WRITTEN STATEMENT

OF

THOMAS B. WEBB, JR.
PRESIDENT
FLORIDA TRUCKING ASSOCIATION, INC.

Thank you for the opportunity to submit testimony concerning the future of the Federal-aid highway program and related surface transportation issues. I am pleased to share with you the views of both the Florida Trucking Association as well as the American Trucking Associations.

Trucking is essential to the economic well-being of growth-oriented states like Florida. Trucks are the vehicle of economic growth: two truck loads of goods enter the state for every load that leaves Florida. A glance at some fundamental facts about the motor carrier industry in Florida will confirm trucking's critical role in ensuring the continuation of the state's economic vitality. Based on 1988 data, the industry:

- o Employs 366,210 persons.
- o Had a payroll in 1988 totaling $7 billion.
- o Serves all of Florida's populated communities of which 72.6% depend entirely on trucks.
- o Paid $740 million in 1988 State and Federal Highway Taxes, accounting for 42.3% of the total State and Federal Highway Tax receipts paid by all motor vehicles, approximately $14.2 million each week.
- o Trucks paid $406.5 million in State Highway-User Taxes 36.2% of the total paid by all motor vehicles.
- o State and Federal Highway User Taxes paid on one large truck combination are 48 times greater than those paid by one medium passenger car.

Nationally too trucks have become the carrier of choice of America's shippers. Over 77% of the value of everything America grows and produces now moves on trucks. Freight revenue now exceeds $240 billion annually, and the trucking industry generates fully 5% of this nation's gross national product. The trucking industry employs 7.5 million Americans, and pays them $160 billion in wages annually. Trucks pay over $50 million a day in highway use taxes which represents more than 45% of all state and federal taxes paid.

The American Trucking Associations (ATA), believes that the preservation, expansion, and reconstruction of the National System of Interstate and Defense Highways and primary highways of national concern should be the cornerstone of a new federal highway program. To achieve this goal, we must establish a

HIGHWAY SYSTEM OF NATIONAL SIGNIFICANCE--a road network which carries 45% of all traffic and 70% of all commercial traffic. This system would comprise the roughly 155,000 of highways which connect major population centers, including the entire U.S. Interstate system and 112,500 miles of other vital highways.

Once designated, this new national system should be built to the highest standards possible. Better pavement designs, with thicker pavements, better drainage, better signs and improved geometric designs, would enhance safety and efficiency and would dramatically increase the life of the highways. The money is in the Trust Fund now to start this program with funding at an annual funding level of $17.5 billion. No new taxes are needed and none should be considered until the current fund balances in the Highway Trust are adequately committed. Continued federal funding for major secondary and urban road projects and for bridges is also needed and can be supported by this level of funding. Of special importance to Florida, particularly in light of the tremendous increase in traffic congestion, is an increase in the federal-aid Primary program to assist in both access and distribution. Equally important is a strong continuing federal commitment to increasing capacity on the Interstate system.

ATA supports the Administration's efforts to achieve greater uniformity in state tax regulation as recommended by the National Governors Association. This should be coupled with full access for the vehicles approved by the Surface Transportation Assistance Act of 1982 on the System of National Significance and consideration of other productivity improvements.

ATA supports better highway management to relieve congestion, improve traffic flow and increase truck productivity. The Motor Carrier Safety Assistance Program (MCSAP) funding should be increased and combined with more uniform safety inspection procedures and regulations. Efforts to control overweight containers must provide for shipper liability for overloads.

While DOT refers to tolls as a "limited" option, tolls do receive a great deal of emphasis in the National Transportation Policy. ATA strongly opposes any new tolls on existing roads. There should be no mixing of Trust Fund dollars with toll road bond funds. Some limited use of toll financing for congestion relief or other specified purposes could be considered in specific instances.

Expansion of the use of Highway Trust Fund dollars for purposes other than highways or transportation is not a viable option and should not be considered. Shifting a greater burden of highway construction cost to state and local governments could mean a back door tax increase and lead to the deterioration of the NATIONAL SYSTEM concept.

Beginning in fiscal year 1992, $50 million should be earmarked each year for trucking-related research and development expenditures within the Department of Transportation. These funds should be employed for research, development, and demonstration programs aimed specifically at enhancing trucking safety, productivity and international competitiveness. This research should include efforts to improve off-ramp construction and signing, downgrade signing and truck rest area solutions.

There is evidence of continued excise tax evasion. While the Internal Revenue Service has voiced concerns, they have done little to stop it. ATA supports the emphasis contained in the National Transportation Strategy to curtail excise tax evasion. Proper audit and enforcement could add $1 billion to the Highway Trust Fund. And the elimination of 'gasohol' exemptions could also add nearly $500 million to the Trust Fund every year.

Finally, we urge this Committee to make its decision based on sound economics, engineering, demographics and business and international trade issues. We must not lose sight of these issues and make decisions based on politics. The course we set in this new highway reauthorization legislation will set the stage for our children and our society for years to come.

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